



CONTACT NUMBERS FOR THE 2012 BOARD OF DIRECTORS

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Rosanne Terhart	604-646-4381
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John Dumfries	604-214-0337

Vancouver Chapter Committees members were appointed on December 21, 2011. We are always looking for help with the various committees. Committee members do not have to be members of the board, so let us know if there is an area where you would like to help out. Contact the committee chair directly or send an email to: information@cfevancouver.com

ETHICS

David McCartney

MEMBERSHIP/OUTREACH LIAISON

Rosanne Terhart

PROFESSIONAL DEVELOPMENT AND TRAINING

Martin Nicholls

NEWSLETTER

John Dumfries

SECRETARY

Dan Dalton

TREASURER

Dan Dalton

WEBSITE

John Dumfries/Russ Lefler

PRESIDENT'S MESSAGE

I am honoured to, once again, fill the position of President of the Vancouver Chapter of CFE. In the 15 years I've been a member, the role of CFEs has grown and our expertise is valued in ever increasing areas of our society.

I met with the new board for the 2012 Planning Session and am excited to work with so many capable and committed people to meet the changes that the upcoming year will bring. As we daily encounter the realities of a relatively slower economy worldwide, we will be challenging ourselves to seek new markets in which to provide our valuable services.

I wish to see us establish closer relationships with other professional organizations such as The Institute of Internal Auditors, Aboriginal Financial Officers Association and the Private Investigators Association of BC as the expertise of our members could be most valuable to their members.

I look forward to upholding the high standards set by previous Boards in the areas of membership, publications and training and welcome your suggestions, as always, for topics and speakers that meet your particular professional needs. The high standards our members demand of themselves can only be upheld if we continue to offer quality professional development and encourage our members to maintain their knowledge in our ever-changing atmosphere of updates and upgrades.



VANCOUVER CFE CHAPTER LUNCHEON

When: Wednesday, February 22, 2012 at Noon

Speaker: Norm Grdina CFE, CAFM, CGA

Topic: What we can do for first nations?

Where: Terminal City Club

Cost: \$40.00 for members and \$50.00 for guests
Note \$5 dollar increase in 2012.

To register:

Email: cfevancouver@yahoo.ca

Please keep in mind that the chapter must confirm to the TCC the number of guests 48 hours prior to event. If you are unable to attend the luncheon notify Jean at least 48 hours prior to the event at the email above to ensure you will not be charged the cost of the lunch.

The next chapter luncheon will be on March 21, 2012 also at the TCC. Topic and Speaker to be determined.

For more information:

[HTTP://CFEVANCOUVER.COM/EVENTS](http://cfevancouver.com/events)

OUTSIDE TRAINING OPPORTUNITY

I.I.A. (VANCOUVER ISLAND CHAPTER)
PRESENTS AN IT WORKSHOP

WHEN: FEB 20, 2012 TO FEB 21, 2012 8:30AM - 4:30PM

WHERE: THE UNION CLUB OF BC, 805 GORDON,
VICTORIA

COST: SEE WEBSITE FOR MORE DETAILS

TOPICS: IT AUDIT 101, IT AUDIT 201,
THREAT RISK ASSESSMENT

SPEAKER: CHRIS H. DUNN, BCOM IN MIS, CISM, CISA,
CRISC, CISSP

FOR MORE INFORMATION:

[HTTP://WWW.GIFTTOOL.COM/REGISTRAR/SHOWEVENTDETAILS?ID=1902&EID=11206](http://www.gifttool.com/registrar/showeventdetails?id=1902&eid=11206)

President's message continued

I am already deeply grateful for the guidance of my 'right hand', Jean Michel, as well as the Board members and I've barely stepped over the threshold of the president's position. I look forward to an enthusiastic year with rewards for every member of our association.

I look forward to seeing you all for lunch on February 22.

Norm Grdina, CGA, CAFM, CFE
President, Vancouver Chapter

February speaker biography

Norm attained his designation as a Certified Aboriginal Financial Manager (CAFM) in 2003 and is currently the "Outreach" Director for the Aboriginal Financial Officers Association (AFOA) of BC.

He is a member of the Technical Advisory Group which is made up of representative from the Certified General Accountants Association of B.C., The Institute of Chartered Accountants of B.C., The Certified Management Accountants of BC, Aboriginal Affairs Northern Development Canada (formerly INAC), Canada Revenue Agency and The Aboriginal Financial Officers Association of BC.

Morrow & Co is currently piloting the New Operational Reporting Method (NORM) project in the Province of BC for the AFOA-sponsored Technical Advisory Group in cooperation with AANDC-BC Region. The purpose of this project is to lessen the burden of financial reporting for First Nation Organizations in Canada by using electronic data transferring technology.

Norm has provided forensic accounting services to several First Nations governing bodies and not-for-profit organizations.



Find a Fraud Examiner

The Vancouver Chapter website <http://cfevancouver.com/examiners> has a section called **Find a Fraud Examiner** where members in private practice or those willing to take outside jobs can advertise.

If you are a CFE and a current member of the Vancouver Chapter of the Association of Certified Fraud Examiners and you would like your name and contact information on our website, please send the following information to us at website@cfevancouver.com and put '**Find a Fraud Examiner**' in the subject line.

Name:

Professional Designation(s):
Title:
Company:
Address:
Telephone #:
Fax:
Cell Phone #:
Email:
Website:
Specialty or Area(s) of Practice: *

** For instance, Forensic Accounting, Risk Consulting, Investigation, Employment Law, etc. We are also happy to accept a short narrative description of your services. Please note that other than name, each of these fields is entirely optional.*

Website Jobs Posting

A feature of the website is a Jobs Posting page <http://cfevancouver.com/postings>. We are offering a free posting to any companies who have even one employee as a member of our chapter.

To post a position, contact John Dumfries or Russ Lefler at website@cfevancouver.com.

Chapter news

As mentioned in the December chapter newsletter congratulations to Albina Alimerko and Zale Chapel for perfect luncheon and training day attendance during 2011. What was not mentioned is that they will be receiving a free PD luncheon of their choice in 2012. Congrats to Albina and Zale again.

The chapter is planning a two day joint PD session with the Vancouver chapter of the Internal Auditor Association in May 2012. Look for more details via email, on the website or in the newsletter regarding this event. If you are available to speak, know of anyone that can present or would like to suggest topics please let the PD committee know.

New CFE member profile

Joanna Joniec joined PRA Group in September 2011, where she focuses on providing advice to financial institutions and conducting internal investigations. Joanna has experience working with companies experiencing financial distress and insolvency and has conducted investigations into allegations of financial and securities fraud.

Joanna studied accounting and economics at the Sauder School of Business at UBC. She is a Certified Management Accountant and Certified Fraud Examiner.

Prior to her career in public practice, Joanna served in the Canadian Naval Reserve in British Columbia, Ontario and Quebec. She has travelled extensively overseas including spending a year in Taipei studying Mandarin Chinese.

Joanna has volunteered to fill a vacant Board of Directors position with the Vancouver chapter and we are eagerly anticipating having a fresh perspective at our meetings.



Books about white collar crooks

This month's featured book is "Exit Strategy" by Vancouver based CMA Colleen Cross. The following is a summary of a brief interview that I conducted with the author:

1) What inspired you to write the book?

It's something I've always wanted to do. I read a lot, and I thought it would be fun to write a novel. Writing a book is much harder than I ever imagined, but also very rewarding. Most of all, though, I wanted to write a book about a forensic accountant/fraud investigator. I wanted to show readers that accountants are not boring! Fraud fascinates me, and I know that with the right level and types of detail, other people will find it interesting also.

2) In the book you discussed various forensic accounting investigative techniques, and red flags, where (or how) did you do your research?

My research and knowledge comes from my personal experience as an accountant, as well as fraud courses and books.

3) Also, you referenced certain terms and processes in the mining industry. What were the sources of your information and where did you conduct your research?

The research in my book came from many organizations such as Transparency International, Global Witness, the RCMP, researching terrorist groups and organized crime.

For the mining and diamond research, I had some knowledge from working in the mining sector, however, I didn't know much about diamonds specifically. I read up on the geology after becoming interested in Canada's diamond industry. In fact, it

was what gave me the idea for the book in the first place. As a late entrant to diamond mining, Canada has no established production history. To me, no established volume meant it was a perfect place for organized crime to launder diamonds.

4) Why did you choose being an author as a career? What did you do beforehand?

I am also a Certified Management Accountant and still work in finance. I didn't consciously choose to be an author. My goal was simply to write a novel. It grew from there, and I plan to keep writing as long as I enjoy it.

5) What are your favourite books/authors?

I really like Diana Henriques. She writes non-fiction and most recently wrote about Bernie Madoff. I also like to read Niall Ferguson and things by George Soros and Nassim Taleb. In general, things with a financial bent.

In fiction, I like thrillers such as Michael Connolly, Harlan Coben, Kathy Reichs and many more. I also like to read Canadian crime fiction (Crime Writers of Canada has an excellent listing). I've also recently discovered Nordic crime fiction after reading Steig Larsson's books. Lisa Marklund is one Nordic crime writer I particularly like.

6) What is the best thing and most challenging thing of being an author and writing a book?

I think the best thing about being an author is being able to make up whole worlds, and then make them come to life with words. It's the same thing that makes it very challenging. Even though I've made it up, it still has to make sense.



Books about white collar crooks continued

7) What are you planning on doing after you complete writing the Kat Carter trilogy?

Actually, it's a series with no planned number of books. I have outlines for at least two more, but hope to have even more books in the series. I'm currently working on book two, Game Theory, which will be released in Fall 2012. I'll start on book three this fall, and continue with more books after that, as long as it's fun to write. I'm also planning another series, so I will be busy!

You can find out more about Colleen on her website at www.colleencross.com or follow her on Twitter. Exit Strategy is available in paperback and e-book at Amazon.com and other retailers.

Editor's comment:

The protagonist, Kit Carter, in "Exit Strategy" referred to the GONE theory for identifying red flags. This theory states that Greed, Opportunity, Need and the Expectation of not being caught are what lay the groundwork for fraud.

The fraud triangle of non-shareable pressure, opportunity and rationalization was created by Donald Cressey in the 1970s. Cressey stated that all 3 have elements have to be present for fraud to occur.

The fraud diamond includes Capability as mentioned in the December 2004 edition of the CPA Journal. Refer to the "Beyond the Fraud Triangle" article in the September/October 2011 edition of the CFE magazine for more information on this topic. Regardless of the theory used, as the article indicates 'understanding who commits fraud and how and why it is committed will enhance a professionals ability to prevent, deter, detect and investigate fraud'.

In The News

The much talked about Canadian national regulator has been put on hold by the Federal government.

http://www.bivinteractive.com/index.php?option=com_content&view=article&id=5312:feds-to-curb-national-securities-regulation-plans-flaherty&catid=14:daily-news&Itemid=46

Fraud depends on the province in which it occurs:

<http://news.nationalpost.com/2012/02/06/provincial-differences-put-unique-spins-on-financial-fraud-rcmp-report/>

The US government has created a federal crime unit to combat mortgage fraud.

<http://www.usatoday.com/news/washington/story/2012-01-27/mortgage-crime-unit-FBI/52820212/1>

Whistleblowers have more options these days and do not have to act alone or fear retribution:

<http://www.forbes.com/sites/meghancasserly/2012/01/26/workplace-retaliation-ethics-see-something-say-something/>

The Allen Stanford \$7 billion Ponzi scheme trial is underway:

http://www.nytimes.com/2012/01/31/business/in-stanford-fraud-case-longtime-friends-become-courtroom-enemies.html?_r=1&pagewanted=all?src=tp

A Richmond, BC city employee has been fired and charged for bilking the South Arm Community Association:

<http://www.richmondreview.com/news/138005043.html>

Whistleblowers in the US can receive a part of recovered monies from their frauds; governments (including BC) can use civil forfeiture and proceeds of crime to fund crime prevention projects. But, this Virgin story in the UK takes it too far.

<http://www.telegraph.co.uk/news/uknews/law-and-order/9046679/Virgin-Media-secretly-pays-police-for-fraud-investigation.html>

<http://www.news1130.com/news/local/article/329793--proceeds-of-crime-used-to-help-keep-youth-out-of-gangs?cid=dlvr.it>