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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

On behalf of your Board of Directors, I would like to thank all the members who attended our last lunch PD Session with Tony Hunt General Manager of Loss Prevention for London Drugs Limited. His presentation was very informative yet scary as we listened to his recap of what London Drugs Employees experienced during the Stanley Cup riots. Please do refer to the Speaker's Summary in our Newsletter.

Our May 30th training session is set: complete with a listing of quality speakers and topics. DON'T MISS IT – AND BRING A GUEST OR TWO. The Exclusive Sponsor for this event is BDO Canada LLP and we thank our good friends at BDO for their support. Please let them know it is appreciated. By popular demand – we will have door prizes and as always – please add to the fun and contribute a prize if you can!

If you haven't already - be sure to sign on to the Find a Fraud Examiner section of our website and promote your professional services. Also, provide your comments related to the Job Posting in maintaining this valuable service to our membership. Your Board is very interested in the areas our members are involved with so please contribute to our CFE Member Profile or if you come across publications of interest – share with us.

Please support your newsletter and our functions as your Board is committed to capacity building and a positive presence in our business community. See you all for a valuable and exciting day on the 30th of May at the Terminal City Club in Vancouver. Take care and thank you for your support.

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



Vancouver Chapter – May Training Day – May 30, 2012

Exclusively Sponsored by BDO Canada LLP

Location — Terminal City Club, Ceperley/Walker Rooms
837 West Hastings Street, Vancouver, BC

Registration Deadline — Friday, May 25, 2012

List of speakers and topics:

- Linda Murray
Survival Tips for the busy CFE
- Don Adam
Major Case Management - Pulling it all together
- Jamie MacDonald
Communication in an Adversarial Situation
- Greg Yanicki
Structured Interview Process Making the most of your interview
- Hank Reiner
Complex Commercial Crime Prosecution in BC

For more information:

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

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Upcoming events:

23rd Annual ACFE Fraud Conference & Exhibition in
Orlando, Florida June 17 to 22, 2012

For more information: FraudConference.com

Canadian Fraud Conference in Ottawa, Ontario
October 28 to 31, 2012

For more information:

<http://www.acfe.com/events.aspx?id=4294972559>

April Presentation summary

Tony Hunt, General Manager Loss Prevention at London Drugs and a member of the ACFE, presented at our April 25th luncheon. The In-house loss prevention and corporate security, internal investigations departments consist of about 90 staff. They do assessment, risk-based threat analysis, and assist the Finance & Internal Audit dept. His team also investigates 'formula thefts and frauds' ie. false returns, manipulating invoices, inventory fraud, etc.

Several factors make it a challenge: large staff number, the public is invited in and handles the merchandise, the stores are large, there are several locations, the cash and payment systems are on display, staff collects personal information (credit card information, etc.), they purchase merchandise worldwide (sourcing and logistics issues), E-store challenges, etc. The largest issue is inventory shrinkage. The largest risk group is internal not shoplifters.

They have an Emergency Preparedness and Risk Assessment Process and are continuously testing and monitoring for weaknesses, improvements, etc. (ex. Olympics, Black Bloc March, Stanley Cup riot).

They use a cycle of (1) assess, (2) plan/organize, (3) execute the plan (training, monitoring, and responding) and (4) then re-assess. Essentially their policy is to put "people before stuff" and active disengagement.

Stanley Cup Riot Aftermath and Lessons Learned:

- The store was under renovation and some of the usual security measures were not fully in place.
- They had a plan for such events and it worked well, although more training of staff may be done.
- They are assisting the police and Crown with prosecution of offenders by organizing and sorting thousands of video images and preserving evidence.
- They are still considering possible civil action.

Summary prepared by Linda Murray; for more information:
<http://cfevancouver.com/file/download/32>



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.

In The News

Quebec debit/credit card fraud:

<http://www.cbc.ca/news/business/story/2012/05/09/international-fraud-ring-montreal.html>

Alberta regulators allege Langley man in \$20 million investment fraud:

<http://www.vancouversun.com/business/Alberta+regulators+cite+Langley+promoter+alleged+million+fraud/6584200/story.html>

In the US, ID thieves could steal \$26 billion of tax refunds:

<http://www.cnn.com/2012/05/08/us/tax-refund-fraud/index.html>

World's most bribery prone businesses according to this article from Forbes:

<http://www.forbes.com/sites/williampentland/2012/05/06/worlds-most-bribeable-businesses/>

Wal-Mart is alleged to be involved in a bribery scheme in Mexico:

<http://blog.transparency.org/2012/04/23/a-bribery-scheme-to-win-market-dominance-in-mexico/>

It doesn't take a CFE to perform a reference or certification check but maybe they should've for these 2 stories:

<http://www.theglobeandmail.com/news/technology/business-technology/yahoo-ceo-under-fire-for-rsum-error/article2423318/>

<http://www.readwriteweb.com/archives/10-executives-who-lied-on-their-resumes-and-2-who-got-away-with-it.php>

Insiders ask for more in-depth probe of SNC's

operations: <http://www.cbc.ca/news/canada/story/2012/04/30/snc-lavalin-vanier.html>

3 ex-CRA officials charged with fraud:

<http://www.winnipegfreepress.com/canada/three-federal-tax-officials-charged-in-fraud-corruption-investigation-149679055.html>

Another massive health care fraud in the US:

<http://content.usatoday.com/communities/ondeadline/post/2012/05/feds-charge-107-with-defrauding-medicare-of-450-million/1#.T6tBfcUcbJJ>



Books about white collar crooks

“Thieves of Bay Street” by Bruce Livesey (a CBC investigative reporter) covers well known frauds in Canada such as Nortel, Ian Thow, Earl Jones, Conrad Black and the Grmovsek/Cornblum massive insider trader scheme but also provides details of each fraud that you may not have already been aware. The book also covers:

- Lesser known frauds such as Principal Group, Pay Pop, Getty Copper and alleged Montreal mafia involvement in YBM Magnex.
- Canadian stockbrokers going rogue such as unauthorized trades, “churning” and changing the risk level on “know your customer” documents.
- The alleged \$27 million Affinity/Ponzi fraud of Tzvi Erez in Toronto.
- CIBC’s involvement with the Enron and Global Crossing frauds (The bank paid out \$2.4 billion and \$16.5 million respectively in settlements) and connects Canadian banks and the sub-prime and ABCP fiascos.
- States that Income Trusts (which were an investor’s favourite in mid-late 2000s but were discontinued by Mr. Harper) were essentially tax avoidance shelters and Ponzi schemes.

Mr. Livesey states that part of the fraud problem in Canada is due to lack of regulatory resources. He states that in 25 years from 1987 to 2012 less than 20 white collar criminals have served jail time.

Another book (and movie) to check out is “The Informant” about Mark Whitacre who was a whistleblower for the FBI regarding his company’s price fixing scheme but was also involved in his own personal kickback/bribery scheme while he was working undercover with the government. He will be speaking at the upcoming 23rd annual ACFE Fraud Conference and Exhibition.

Newsletter article quiz

According to the www.cbc.ca article above: How much is a SNC-Lavalin executive alleged to have paid in bribes?

Send answer to newsletter@cfevancouver.com for a chance to win a \$20 Starbucks gift certificate.

Chapter news

Congratulations to the 2 winners of our door prizes at the April 25th PD luncheon, Grant Pearson and Rose Szkwarok. Also, a special thanks to Norm Grdina and Morrow and Company for sponsoring the luncheon.

Members and the public are able to connect with the ACFE Vancouver chapter via social media sites such as Twitter and LinkedIn. To find out about PD events, job postings, network with fellow members and keep up to date with the latest fraud news add/follow us on social media sites.

Twitter:

http://twitter.com/#!/ACFE_Vancouver

LinkedIn: http://www.linkedin.com/groups?gid=3964400&trk=hb_side_g

CFE member profile – Johann Boulter

Johann joined the University of British Columbia as Assistant Controller in Financial Services, in 1999. In 2001, she joined the Internal Audit department, where she is currently the Associate Director. In this role, she assists the Director in leading a team of professional staff in carrying out a broad and comprehensive risk-based audit program, designed to add value and improve the University's operations. She also provides on-going advice and counsel to all levels of management in connection with internal controls, operational efficiencies and effectiveness, risk management, and governance.

Johann received her Bachelor of Commerce from UBC. She is a Certified Management Accountant, a Certified Internal Auditor, and a Certified Fraud Examiner.