



## **CONTACT NUMBERS FOR THE 2013 BOARD OF DIRECTORS**

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Rosanne Walters Terhart	604-646-4381
Carmen Wiechers	604-603-8893

Vancouver Chapter Committee members were appointed on February 5, 2013. 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: [newsletter@cfevancouver.com](mailto:newsletter@cfevancouver.com)

### **ETHICS**

**David McCartney**

### **MEMBERSHIP/OUTREACH LIAISON**

**Rosanne Walters Terhart**

### **PROFESSIONAL DEVELOPMENT AND TRAINING**

**John Crawford /John Dumfries**

### **NEWSLETTER**

**John Dumfries**

### **SECRETARY**

**Carmen Wiechers**

### **TREASURER**

**John Crawford**

### **WEBSITE**

**John Dumfries/John Crawford**

## **Chapter news**

Chapter members and members of the public are able to connect with the ACFE Vancouver chapter via social media sites such as Twitter and LinkedIn. To find out about Professional Development 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](http://twitter.com/#!/ACFE_Vancouver)

LinkedIn: [http://www.linkedin.com/groups?gid=3964400&trk=hb\\_side\\_g](http://www.linkedin.com/groups?gid=3964400&trk=hb_side_g)

In the next couple of months we will again be looking for people to step forward to help the chapter by joining the Board of Directors. We are anticipating a number of vacancies this year for a variety of reasons. Some people cannot continue to commit for another year because of their workload, other priorities, or employment changes. Many of the current board members have been volunteering their time for several years which is commendable but a time comes when new talent is needed.

### **Correction:**

In the May edition of the ACFE Vancouver chapter newsletter, the title of a link to local news story incorrectly said "UBC Accountant charged with embezzlement". The accountant worked for the ICCLR (International Centre for Criminal Law Reform) which is independent from UBC and this accountant was never a UBC employee.



### **Upcoming events:**

#### **ACFE Vancouver Chapter September luncheon**

When: September 25, 2013

Time: 12:00pm to 1:30pm

Speaker: Steve Wilson

Topic: Elder Fraud and Abuse, recognizing the signs, investigative techniques, resources and current legislation.

Where: Terminal City Club 837 West Hastings Vancouver

Cost: \$40 for members, \$50 for non-members/guests

To register: <http://cfevancouver.com/events.php>

#### **Upcoming 2013 chapter events:**

November 27th – Morning training session and AGM lunch

Time: 8:30am to 1:30pm

Speakers: TBD

Topics: TBD

Cost: \$100 training session, AGM and lunch.  
\$40 AGM and lunch.

December 11th - annual Christmas luncheon

#### **ACFE 2013 Canadian Conference**

When: September 8 to 11<sup>th</sup>, 2013

Where: Montreal, Quebec

For more details: <http://www.acfe.com/canadian-about.aspx>

#### **ACFE Houston Conference**

When: October 10<sup>th</sup> and 11<sup>th</sup>, 2013

Where: Houston, Texas

For more details: <http://www.houstonacfe.org/>

### **Summary of May 22<sup>nd</sup> full day PD session**

#### **Linda Murray:**

Linda Murray, CFE led the group through a discussion of ethics to take CFEs from 'Clueless to Clued in'.

Linda reviewed: (1) the basic requirements for CFEs (ACFE and Vancouver Chapter); (2) what ethics is and is not; (3) the eight principles of the ACFE Code of Professional Ethics; (4) the many roles of a CFE; (5) strategies for success in solving ethical dilemmas; (6) potential consequences of poor ethical decisions; and (7) resources.

Ethics involves the exercise of reflective choice. Ethical behaviour is learned, not innate, and continuous practice and application of ethical thinking are key.

An ethical dilemma requires you to choose between two undesirable options that each have consequences and solving ethical dilemmas requires a continuous thought process. Ethical dilemmas occur in a CFE's personal and professional life and personal dilemmas may lead to professional consequences. One cannot be a 'professional' without the exercise of ethics. The more ethical choices are rewarded and encouraged, the more ethical choices will increase (tone at the top is important). Most issues arise where the CFE has a potential direct or indirect interest in a matter. The group reviewed a number of practical ethical dilemmas including examples dealing with negligent investigation, personal lifestyle choices, work/life balance, preparing proper reports, potential conflicts of interest, disclosing all material information, and competency and resources.



## **Find a Fraud Examiner**

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

**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](mailto:website@cfevancouver.com) and put **'Find a Fraud Examiner'** in the subject line.

### **Name:**

Professional Designation(s):

Title:

Company:

Address:

Telephone and Cell Phone #:

Fax:

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 Job Postings**

A feature of the website is a Jobs Posting page. We are offering a free posting to any companies who have at least one employee as a member of our chapter.

To post a position, contact John Dumfries at [website@cfevancouver.com](mailto:website@cfevancouver.com).

## **Kelly Paxton:**

Kelly Paxton, CFE provided insight into 'Pink Collar Crime'. As more women enter the workforce and encounter stressors such as economic pressures, addiction, and ailing relatives, their participation in fraud has increased. Men tend to be involved in larger value frauds since they hold higher positions with access to more funds and less supervision.

Who are these pink collar criminals? Most do not set out with the intent to steal and are long term, trusted employees, aged 40 to 49, no past record, and are well-mannered and of above average intelligence. While men commit fraud for 'wine, women and wages', women tend to do so for 'clothes, cars and casinos' (more lifestyle, relationship based).

Tips to prevent pink collar crime: tone at the top; enforce mandatory vacations (US banks now make a two week vacation mandatory); do background checks after a few years of service; listen to co-workers; and look for living beyond means or financial problems.

See [www.pinkcollarcrime.com](http://www.pinkcollarcrime.com) and [www.marquetinternational.com](http://www.marquetinternational.com) for more information and follow Kelly on [Twitter](#).

## **Colin Cree**

Colin Cree of E-Forensic Services Inc., reviewed current issues in digital investigations and noted that social media crime is increasing.

Digital evidence now comes from many sources (laptop, cloud, USB, GPS, Dropbox, Office 360, Facebook, Iphone, Ipod, Xbox, etc.) and it is very difficult to become an expert in all areas.



## **In The News**

BCSC launches hearing in alleged \$65-million investor: fraud:<http://www.vancouversun.com/business/Securities+Commission+launches+hearing+alleged+million+investor+fraud/8489782/story.html#ixzz2WUzfeMjT>

How to spot fraudulent charities: <http://www.fraud-magazine.com/article.aspx?id=4294978232#.UbFB7DYaP44.twitter>

BC Man forced to pay \$4.5 million order:<http://news.ca.msn.com/canada/bc-men-forced-to-pay-dollar45-m-for-us-order#scpshtu>

RCMP creates unit to combat corruption: <http://www.canadianbusiness.com/business-news/rcmp-announces-international-task-force-to-combat-foreign-bribery/>

Senate expense audit could cost \$200K: <http://o.canada.com/2013/06/07/audits-will-likely-cost-senate-more-than-200000-source-claims/#.UbtIOwgJOV8.twitter>

Kickstarter could enable frauds: <http://qz.com/94597/kickstarter-almost-enabled-a-120000-fraud-and-its-not-the-first/>

ICBC suing Stanley Cup rioters: [http://www.theprovince.com/news/ICBC+suing+least+Stanley+rioters+damage+vehicles/8526622/story.html?utm\\_source=dlvr.it&utm\\_medium=twitter](http://www.theprovince.com/news/ICBC+suing+least+Stanley+rioters+damage+vehicles/8526622/story.html?utm_source=dlvr.it&utm_medium=twitter)

New OSC unit will target fraud: [http://www.thestar.com/business/2013/06/14/new\\_ontario\\_securities\\_commission\\_unit\\_will\\_target\\_fraud.html](http://www.thestar.com/business/2013/06/14/new_ontario_securities_commission_unit_will_target_fraud.html)

Crazy Eddie's former CFO Sam Antar's fraud tips: <http://www.marketwatch.com/story/crazy-eddie-fraudster-says-sec-cant-keep-up-2013-06-07?link=sfmw>

## **Newsletter article quiz**

How much has the Senate spent on outside auditors since 2007/2008 including the recent investigations? Send answer to [newsletter@cfevancoover.com](mailto:newsletter@cfevancoover.com) for a chance to win a \$20 gift certificate of your choice.

## **Colin Cree continued**

Colin discussed: (1) metadata (for the software version and basics of a document); (2) system artifacts (event logs, Windows registries, previous versions, link files) for how a document is created and where it has been; (3) application metadata (dates, author, revisions log, application version) which could tell you whether a document was created before that version was available; and (4) application artifacts (backup versions).

Computers have advanced to the stage where you can set up a virtual computer through Amazon without the need to have a computer.

Microsoft 360 allows cloud-based application licences which are not downloaded to a computer but used in the cloud. Some companies are now encouraging, or requiring, employees to 'BYOD' (bring your own devices) to work, which reduces the control of the employer over data and access (impacts on disclosure). You can acquire a virtual burner telephone through hushed.com. Snapchat allows you to send pictures to a person and the photos do not stay on your device (sexting's next stage).

Colin's tips included pre-planning where the data is located and how to best capture it, how much do you really need, use software to find the 'nuggets' for your investigation, use an expert, and use proper data-gathering procedures so the data is not corrupted or compromised.



Fraud prevention resources for BC Seniors:

[http://www.investright.com/news\\_post.aspx?blogid=213&id=949](http://www.investright.com/news_post.aspx?blogid=213&id=949)

Health Practitioners learn about preventing fraud on seniors: [http://www.nbsc-](http://www.nbsc-cvmb.ca/nbsc/news_content_display.jsp?news_id=411&id=24&pid=4)

[cvmb.ca/nbsc/news\\_content\\_display.jsp?news\\_id=411&id=24&pid=4](http://www.nbsc-cvmb.ca/nbsc/news_content_display.jsp?news_id=411&id=24&pid=4)

OSC bans man sanctioned by BCSC for fraud:

[http://www.investmentexecutive.com/-/osc-bans-man-sanctioned-by-bcsc-for-fraud?utm\\_source=newsletter&utm\\_medium=nl&utm\\_content=investmentexecutive&utm\\_campaign=INT-EN-morning](http://www.investmentexecutive.com/-/osc-bans-man-sanctioned-by-bcsc-for-fraud?utm_source=newsletter&utm_medium=nl&utm_content=investmentexecutive&utm_campaign=INT-EN-morning)

Forfeiture fuels record compensation for fraud victims:

<http://www.bcsc.bc.ca/release.aspx?id=17578>

How to identify fraudsters:

<http://www.befraudaware.ca/identify-con-artists>

Link to BCSC videos: <http://www.befraudaware.ca/fraud-watch>

Link to: [May Enforcement Roundup](#)

### **Stay connected with BCSC InvestRight:**

Subscriptions: <http://www.investright.org/subscriptions.aspx>

Facebook: <https://www.facebook.com/BCSCInvestRight>

YouTube:

<http://www.youtube.com/user/BCSCInvestRight?feature=watch>

Twitter: <https://twitter.com/bcscinvestright>

Mobile App: <http://www.befraudaware.ca/app>

### **Jamie MacDonald**

Jamie MacDonald of Maximum Impact took the group through some practical exercises on how to lead with cultural intelligence and communicate in a multi-cultural world.

The top management challenge for the next century will be cross-cultural leadership (an estimated 70% of cross-cultural ventures fail).

One of the exercises (Your Canadian Story) emphasized that all of us have a date and a story. Your story is the lens (your world view glasses) through which you view the world. You need to understand your own story and listen to the stories of others in order to gain perspective.

Jamie reviewed the three basic types of belief systems (animism, humanism and theism), David Livermore's four step cycle of cultural intelligence (drive, knowledge, strategy, and action) which increases awareness of how we connect with others, and the five pillars of cultural intelligence (time orientation, individualism v. collectivism, low v. high context, low v. high power distance, and low v. high uncertainty avoidance).

Jamie's tips: bring an attitude to respect all others, take responsibility for all communications (including miscommunications), listen to others and research other cultures, and adapt your style based upon others.

Thanks to everyone who attended the May 22 Professional Development day and to the speakers. Summary prepared by: Linda Murray, CFE.