



## President's Message – February 2016 Edition

Dear Members,

I am excited to kick off the 2016/2017 term with our upcoming PD Luncheon being held at the Terminal City Club on February 24<sup>th</sup>. Please bring a colleague or a friend to listen to the interesting topic of “*Finding evidence on Mobile Devices*” presented by the BC Securities Commission, our esteemed sponsor. The speakers are Andy Joyce, Manager, Litigation and Investigation Support, Enforcement, BCSC and Megan Ritchie, Computer Forensic Investigator, Enforcement, BCSC.

We will also hold our Annual General Meeting just prior to the speakers; the meeting will be brief and informative followed by the Election of Directors chaired by Past President, Linda Murray who is our Nomination Committee Chair; if you have a CFE designation in good standing and want to join the Board please do not hesitate to contact her at [lindajoyemurray@gmail.com](mailto:lindajoyemurray@gmail.com) to let your name stand.

It was my pleasure to serve as your President this past 2015/2016 term, where I had the opportunity to work with an incredibly dedicated and dynamic board thereby finishing the year with stronger fiscal results and record breaking event attendance.

Some of the milestones achieved this past term were:

- Created a branding image that extends to our website, newsletter, and event communications;
- Created a secured shared drive for repository of all pertinent board documents and formalized a master compliance checklist which allows a global oversight to govern all Chapter board functions;
- Developed a Roles and Responsibilities document for each Officer and Committee position that delineates each role's expectations.

These achievements will provide a guideline and a structured succession for future board members.

I want to thank each of you for your participation and contribution in helping our Chapter grow. I promise that we will continue to strive to make the Chapter a relevant and resourceful organization for you.

Sincerely,

Carmen Wiechers, CFE  
President Vancouver Chapter



The ACFE Vancouver Chapter invites you to our AGM and luncheon.

**Date:** February 24, 2016

**Time:** Registration starts at 11:45 am, Lunch from 12:00 pm to 12:30pm  
AGM from 12:30pm to 1:00pm, Session 1:00pm to 2:00pm (1 PD Hour)

**Venue:** Terminal City Club  
837 West Hastings Street Vancouver

**Topic:** Finding evidence on Mobile Devices  
*Andy Joyce, Manager, Litigation and Investigation Support, Enforcement, BCSC and  
Megan Ritchie, Computer Forensic Investigator, Enforcement, BCSC*

Smart Phones and Tablets can contain a great deal of evidence. Their increasing prevalence means that almost every fraud investigation case will encounter one of these devices throughout the lifespan of the investigation. Android and iOS devices dominate the market share of Smart Phones and different challenges exist in retrieving data from both of these mobile operating systems. Password locks, encryption and data stored in 3rd Party apps such as WhatsApp, WeChat and Telegram often present roadblocks; however knowing some of these issues up front will assist in developing a strategy to preserve digital evidence efficiently. Join Andy and Megan as they discuss some of the tools, techniques and best practices in Mobile Device Forensics, and what you can do to prepare should you encounter them in your investigation.

**Cost:** \$40 Vancouver Chapter ACFE Members  
\$50 Non-members (*this applies to Non-CFEs and Austin members who have not yet joined the Vancouver Chapter membership. Non-members can join at any time to start enjoying our chapter member benefits.*)

## **Register Now!**

**Space is limited for this event, register before February 17<sup>th</sup> to secure your spot!**

### **Mark your calendars for these upcoming events:**

- **February 24<sup>th</sup>** : AGM and PD luncheon at Terminal City Club (1 CPE Hour)
- **March 23<sup>rd</sup>**: PD luncheon at Terminal City Club (1 CPE Hour) [Register Here!](#)
- **May 25<sup>th</sup>**: Half Day training session

## **BDO's Top 10 ways to protect your business from fraud**

According to the ACFE, the typical organization loses about 5% of its annual revenues to fraud. The average fraud scheme costs an organization approximately \$150,000 annually and over 50% of cases have no recovery of losses.

BDO's Rosanne Walters, who specializes in forensic and investigative services, offers these tips:

### **1. Know your employees:**

- Perform proper screening of your employees, including criminal checks and due diligence regarding the employee's background.
- Look into gaps in employment and anything that does not add up in a resume.

### **2. Protect your information:**

- Protect your business from cybercrime with firewalls, anti-virus programs, passwords and controls for employees working outside the office on personal computers.
- Train employees about the dangers of sharing personal information that can lead to fraud.
- Be aware of information stored on the hard drives of photocopiers and cash registers. Purge information on a regular basis or save offsite in a secure environment.

### **3. Start a confidential reporting system:**

- Most employees intuitively know when behavior appears suspicious, but they usually have no confidential method of reporting the situation.
- According to the ACFE, 42% of fraud is detected by tips from employees, customers and suppliers.

### **4. Protect your business from fraudulent third parties:**

- Perform due diligence of third parties involved in your business, including property managers, contractors, subcontractors, venture partners, suppliers and consultants.

### **5. Be aware of corruption schemes:**

- Be aware of what services are being performed and the market rate for these services. Kick-back schemes occur more often when you are over-paying for services.
- Be aware of relationships between third parties and insiders.

### **6. Look at your bank statements:**

- Many embezzlement schemes occur when an insider has access to a bank account or cheques.
- Cheque tampering schemes are very costly and can be as simple as altering company cheques after they have been signed. Review all cheques when they come back from the bank to confirm that they match the originals.
- Another common occurrence is when employees pay online for personal bills and retail purchases using company's funds. Regularly check your bank balance for discrepancies.

## 7. Scrutinize expense reports:

- Expense reports should be supported by original receipts before submitting for review and approval.
- Some employees submit personal expenses and even multiple reimbursements of the same expenses.

## 8. Know what assets you are buying and how they are being used:

- Keep track of assets at all times.
- Install video cameras wherever possible.

## 9. Use a payroll service and check that employees being paid are real people:

- Payroll schemes can be a big threat to any organization.
- Employees can overcharge for hours they did not work or, even worse, a company that is not paying attention may be paying for employees who are not working at all.

## 10. Establish a good code of conduct:

- Establish a good code of conduct for your employees and third parties.
- Set out your expectations on what constitutes acceptable behaviour.
- Review these policies with your employees on a regular basis, including annual sign-offs to be placed in an employee's personnel file.

### About Rosanne Walters:

Rosanne Walters, CFF, CPA, CA, CBV, CFE is a Partner with BDO's Forensic and Investigative Services group. You can reach her at 604 646 4381 or [rwalters@bdo.ca](mailto:rwalters@bdo.ca).

### Nominate an ACFE colleague and chapter for the following awards:

- Certified Fraud Examiner of the Year
- Educator of the Year
- Achievement in Outreach/Community Service
- Chapter of the Year and Chapter Website of the Year

[Click here to Submit Nomination](#)

### Call for speakers:

The ACFE is inviting you to submit a proposal to speak and share your experience with fellow anti-fraud professionals at the *2016 ACFE Canadian Fraud Conference*, September 11-14, 2016 in Montreal. The deadline for submissions is April 1, 2016.

[Click here to submit a proposal](#)



## British Columbia Securities Commission

### Latest news from the BCSC:

[Click](#) on the headlines below to read more:

Updates for the week ending February 5, 2016

January Enforcement Roundup

Take the Smarter Investor Quiz

Download the following reports by clicking the link below:

BCSC 2015 Compliance Report Card

BCSC Service Plan 2015 2018

BCSC 2014 Enforcement Report

Sign up on the [BCSC website](#) to receive email notifications about:

- News Releases and Weekly Reports
- Policy Publications
- Events
- Disciplined Persons List and Investment Caution List
- Issuers in Defaults

Subscribe to receive email notification about new:

- Investor alerts & watches
- Posts to the Let's talk about investing blog
- Planning 10: Finances - General Updates
- Planning 10: Finances - Updates for Teachers

Social Media:

- Twitter: [@BCSCInvestRight](#)
- Facebook: [BCSCInvestRight](#)
- Youtube: [BCSCInvestRight](#)

### In the News:

[Click](#) on the headlines below:

Largest data breach in BC could have been completely preventable BC watchdog report

Baby Boomers at greater risk of fraud ASC warns

ICBC release insurance scams 2015 part of fraud awareness campaign

Buck stops with hospital board in alleged fraud case health ministry

Montreal South Shore daycare fraud charges

Cybersecurity incidents in Canada increased by 160 year over year according to PWC Canada's 2016 survey

How the music industry is fighting online fraud

How an IRS employee allegedly stole 1 million from taxpayers

Fraud prosecutions topped 1 Billion in 2015 KPMG report

Cyber crime costs projected to reach 2 trillion by 2019

### Get Involved!

We welcome your ideas and input to make the Chapter newsletter a valuable resource for all members.

Please send comments or contributions to:  
[newsletter@cfevancouver.com](mailto:newsletter@cfevancouver.com)

**2015-2016 ACFE Vancouver Chapter Board of Directors**

John Ahern	<a href="mailto:john.ahern@gov.bc.ca">john.ahern@gov.bc.ca</a>
Sandra Cheung	<a href="mailto:sandra.vanbc@gmail.com">sandra.vanbc@gmail.com</a>
John Dumfries	<a href="mailto:jdumfries@shaw.ca">jdumfries@shaw.ca</a>
Danielle Guglielmucci	<a href="mailto:Danielle.Guglielmucci@ficombc.ca">Danielle.Guglielmucci@ficombc.ca</a>
Martin Nicholls	<a href="mailto:mnicholl@hotmail.com">mnicholl@hotmail.com</a>
Jade Tien	<a href="mailto:jade@mti-cpa.com">jade@mti-cpa.com</a>
Carmen Wiechers	<a href="mailto:cwiechers@savers.com">cwiechers@savers.com</a>
Steve Wilson	<a href="mailto:steve.wilson@eciss.ca">steve.wilson@eciss.ca</a>

**Find a Fraud Examiner**

If you are a current Chapter member and would like to include your contact information on our website, please send it to: [website@cfevancouver.com](mailto:website@cfevancouver.com).

**Chapter Announcements:**

If you have any work related announcements or interesting personal achievements and experiences to share submit them to:  
[newsletter@cfevancouver.com](mailto:newsletter@cfevancouver.com).

**Website Job Postings**

We are offering a free job posting on our website to any companies who have at least one employee as a chapter member. If interested, contact:  
[website@cfevancouver.com](mailto:website@cfevancouver.com).

Check our [job postings page](#) for current listings.

**ACFE Vancouver Chapter  
Officers and Committees:****PRESIDENT -Carmen Wiechers****VICE PRESIDENT - Steve Wilson****SECRETARY - Sandra Cheung****TREASURER - Jade Tien****ETHICS - John Ahern, Martin Nicholls****MEMBERSHIP OUTREACH  
Vacant****PROFESSIONAL DEVELOPMENT  
Steve Wilson, Carmen Wiechers****COMMUNICATIONS - John Dumfries,  
Danielle Guglielmucci****Stay Connected:**

Click on the link to connect with the ACFE Vancouver Chapter via Facebook, Twitter and LinkedIn. Also, check the Chapter's website for up to date content [www.cfevancouver.com](http://www.cfevancouver.com).