



### CONTACT NUMBERS FOR THE 2006/2007 BOARD

Colin Parcher	604 953 5232
Dean Davison	604 685 6864
Carmen Wiechers	604 270 9200
David Connop	604 880 5462
Pat McDowell	604 657 8620
Adrienne Fairburn	604 669 2533
Jim Blatchford	604 443 2125
Christine George	604 640 3355 <i>New</i>
Russ Lefler	604 214 4893 <i>New</i>
Jean Michel	604 682 1562

Look for the bios of our new board members starting on page 2.

### Vancouver Chapter Committees

The new Board will determine the makeup of each of the committees at our December 20<sup>th</sup> Board Meeting and we will report them in the January 2007 newsletter.

Following are the committees:

#### ETHICS

#### MEMBERSHIP/OUTREACH LIAISON

#### NEWSLETTER

#### PROFESSIONAL DEVELOPMENT AND TRAINING

#### WEBSITE

We welcome help from any members who are interested to assist us with the work of these committees. If you are interested in helping out, please contact Jean Michel or any member of the Board at the numbers listed above.

### MEMBERSHIP

Membership in the Vancouver Chapter of the Association of Certified Fraud Examiners is broken down into three main categories: CFE, Non-CFE and Student.

Current membership fees are \$65 plus GST for a total of \$68.90, and \$26.50 for Students.

For details and an application form, please contact Jean Michel at [cfevancouver@yahoo.ca](mailto:cfevancouver@yahoo.ca)

### President's Report

Well the year is ended; we have had our 1/2 day professional development seminar and it was a success. Our presenter, ACFE President Jim Ratley, despite being very tired after 30 days of travel in Hawaii, Asia, and Australia lived up to his billing and provided a very entertaining and informative four hour session on Statement Analysis.



Our Annual General Meeting followed the training and for the first time in the history of our Chapter we had an election of directors with 11 people running for the 9 positions. The full results of the election will be reported elsewhere within this newsletter; however there are two board members who are not returning, Marty Nicholls and Russ Law. I would like to take this opportunity of extending my sincere thanks to them for their efforts over the past years in making Vancouver a successful chapter and look forward to their continued participation in the Chapter.

Our dinner that followed the AGM was outstanding; my thanks to Jean Michel who worked very hard with Vicki Drake from the Hornby Banquet Room, for their respective efforts in making this meal a success. Following dinner Mr. Ratley spoke to the dinner group on his vision for the ACFE and where he sees it going over the term of his Presidency.

With it being the 10<sup>th</sup> Anniversary of the Vancouver Chapter Mr. Ratley made three ACFE Distinguished Service Award presentations. These went to Steve Holotuk, the individual who was primarily responsible for the creation of the Vancouver Chapter; to David Connop a current director and one of the original board members, and to Jean Michel who has been with the board since its creation.

As you are all aware, and likely tired of hearing about it, when I became President of the Vancouver Chapter I committed to having the Canadian Fraud Conference moved to Vancouver for a year. I have received enormous support from you the members as well as a number of organizations and other Chapters across Canada and the Pacific Northwest. I can now say thank you all as **Mr. Ratley announced at our AGM the 14<sup>th</sup> Annual ACFE Canadian Fraud Conference will be held in Vancouver in 2008.** The chapter will be working hard with Austin to make this a successful and outstanding event.

We are also moving forward with our Joint ACFE/IIA Fraud Conference to be held on March 7 and 8, 2007. We are in the final negotiations for our venue and once it is confirmed we will begin to market the event.

As our key presenter we have now secured Mr. John Hueston, the lead prosecutor in the Enron trial who will speak on the various aspects of the Enron investigation, trial of Jeffery Skilling and Kenneth Lay, the "right and wrong internal investigations" at Enron, what went wrong and the warning flags that were ignored. Mr. Hueston, along with our other high profile speakers, who include Mr. Shannon Grayer of Microsoft Financial Integrity Unit, Rolston Colbourne a former Superintendent with the New Scotland Yard Terrorism Unit, Photini Papadadou of the Alberta Special Prosecutions Branch, Peter Armstrong of KPMG and many more will make this a must attend event. As this will be marketed to various professional organizations

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## Upcoming Events

### MARK YOUR CALENDAR!

#### December Christmas Luncheon

On Wednesday, December 20<sup>th</sup>, 2006 we are planning a purely social Christmas Luncheon. What a great opportunity to get out and network with colleagues in the anti-fraud fraternity, win door prizes and contribute to our traditional Christmas charity, the Union Gospel Mission.



Remember to block off **Wednesday** the 20th of December, and bring a friend or colleague!

#### MONTHLY LUNCHEONS:

We have been having another fantastic season of educational and interesting luncheons on the 4th Wednesday of every month at the Hornby Banquet Centre.

Come for the networking opportunities as well as the CPE and the food.

Contact Jean Michel at [cfevancouver@yahoo.ca](mailto:cfevancouver@yahoo.ca) to register, please enter 'luncheon' in the subject line.

#### NEXT LUNCHEON:

**When:** December 20<sup>th</sup>, 2006

**Time:** noon

**Where:** Hornby Banquet Centre, 595 Hornby St, Vancouver

**Cost:** \$20 - members/ students,  
\$25 - non-members/guests

This will be a purely social luncheon, with door prizes and a chance to combine networking with fundraising for the Union Gospel Mission Christmas meal program.

Call Jean Michel today to book your spot: 604.682.1562 or email [cfevancouver@yahoo.ca](mailto:cfevancouver@yahoo.ca)

Put 'luncheon' in the subject line.

## New Board Member Profile

### Christine George, CGA, CA, IFA, CFE

Christine George is a Senior Manager in the Vancouver Deloitte & Touche Forensic & Dispute Services practice. Christine has over 15 years of experience in litigation support and investigative and forensic accounting. Christine is bilingual and re-located to Vancouver a year and half ago from Ottawa.

Christine has worked on a variety of assignments providing forensic accounting services to various government agencies and corporations pursuing investigations into allegations of fraud, conflict of interest and other financial improprieties.

Christine has also assisted various corporations and their counsel in quantifying damages relating to breach of contracts and negligence suits. Christine has taken part in various strategy sessions determining the best course of action to be taken given the evidence found in the particular case.

Christine was involved in a significant assignment in the Cayman Islands where she was seconded for five years to the Bank of Credit and Commerce International (BCCI) liquidation – the largest international bank fraud to date. She was responsible for managing several projects related to fraud investigation, and to litigation commenced by the liquidators against various parties. This assignment required tracing funds through complex routing transactions in various jurisdictions, as well as working with the FBI and the Serious Fraud Office.

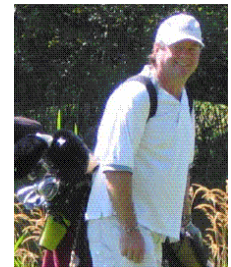
Christine is a Certified General Accountant, a Chartered Accountant, a specialist in Investigative and Forensic Accounting (IFA) and a Certified Fraud Examiner (CFE). ■



## New Board Member Profile

### Russ Lefler, CFE

Russ hails originally from Burnaby, when at the ripe old age of 19 entered the RCMP. Not expecting to ever return to our beautiful province was pleasantly surprised when he learned he would be posted in Cranbrook. A short 11 months later he moved closer to the west coast, stopping for 4 years in Rossland and then happily all the way west to Victoria where he spent 11 years, half of which were in Drug Enforcement and the other in General Duty Policing.



In 1989 he was asked to take a Drug Enforcement position in Vancouver and reluctantly made the move to the mainland. Realizing that there were more opportunities available if he specialized in the field of money laundering, he began taking a variety of accounting and business courses to expand his expertise. He took his final move to join the Anti-Drug Profiteering unit, later renamed the Proceeds of Crime Section and worked on numerous International investigations taking him across Canada, to Hong Kong, Singapore and to both the East and West coast of the US with numerous stops in between.

Russ worked as the file coordinator on, at the time, the largest successful money laundering investigation undertaken in Canada involving various US, French, Singaporean and Hong Kong law enforcement agencies, netting a return to the Canadian government of over \$23 million in drug proceeds and several hundred million to the other countries. His final successful investigation involved convicting an American cocaine trafficker who imported large quantities of narcotics, laundered over \$10Million in drug proceeds and who ultimately agreed to forfeit assets valued in excess of \$2 million in Las Vegas, USA which were ultimately shared with the Canadian government.

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**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.

See [www.cfevancouver.com](http://www.cfevancouver.com)

If you are a CFE and a current member of the Vancouver Chapter of the Certified Fraud Examiners and you would like your name and contact information on our website, please send the following information to us at [cfevancouver@yahoo.ca](mailto:cfevancouver@yahoo.ca) and put 'Find a Fraud Examiner' in the subject line.

Please provide the following info:

**Name:**

**Professional Designation(s):**

**Address:**

**City:**

**Telephone #:**

**E-mail:**

**Website:**

**Specialty or Area of Practice:** *for instance, Forensic Accounting, Risk Consulting, Investigation, etc.*

**Note:** *please bear with us while we have our website redesigned. We expect it should be up and running by late December, 2006.*

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**MARK YOUR CALENDAR**

We are currently in the planning stages for our Second Annual Joint ACFE/IIA Fraud Conference to be held on **March 7 & 8, 2007.**

**Be sure to keep these dates open, it is going to be another smash hit!**

For an advance look at some of the speakers that have been lined up, please see the President's Report on the first page, and our January newsletter.

**President's Report (cont'd)**

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as well as the ACFE I encourage you to mark your calendars and sign up early as space will be limited.

Lastly, as is reported elsewhere within this newsletter, our **Christmas lunch** will be held at noon on December 20, 2006 at the Hornby Banquet Room. In honour of our 10<sup>th</sup> Anniversary we will have a special presentation along with our regular 50/50 draw and door prizes. Email Jean Michel at [cfevancouver@yahoo.ca](mailto:cfevancouver@yahoo.ca) to sign up for this social event and please bring a friend or colleague and introduce them to the Vancouver Chapter of the ACFE. ■



Colin Parcher CFE

President, Vancouver Chapter ACFE

**New Board Member Profile (cont'd)**

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Russ left the RCMP after 25 years knowing he wouldn't really retire and joined the Attorney General's Gaming, Audit and Investigations Office in Burnaby. After two years in this position he was persuaded to jump ship and join the newly formed Special Investigations Branch of the Worker's Compensation Board of BC. His original focus at the WCB was to look into premium abuse and fraud committed by employers and service providers throughout the province.

A recent restructuring within the WCB necessitated Russ to take on a role as a Field Investigator and he happily moved out to Surrey, avoiding the daily commute to Richmond. Russ's new duties include investigations into the various aspects of fraudulent claims, discrimination issues, assistance to the Fatal and Serious Injury accident investigators and numerous compliance and regulatory concerns.

Russ has been attending the various PD days and CFE luncheons since the Vancouver Chapter's inception and has finally decided to throw his hat into the ring and take on a more involved role in the Chapter. ■

**On the Move**

**Janet E. Helm, CFE**, who is our CFE Vancouver Accountant, is on the move as of November 1 - she moved to #200 - 8253 120th Street, Delta, BC V4C 6R1 Phone 604.517.0056. ■

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**Jim Blatchford, CFE** has accepted an opportunity to join Grant Thornton LLP as Practice Leader of the Forensic Accounting Investigative Services in Vancouver. He can be contacted at Grant Thornton Place, Suite 1600 - 333 Seymour Street, Vancouver, British Columbia V6B 0A4. (604) 443 - 2125 fax (604) 685 - 6569, [jblatchford@GrantThornton.ca](mailto:jblatchford@GrantThornton.ca), [www.GrantThornton.ca](http://www.GrantThornton.ca). ■

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At our AGM dinner, three deserving members received **Distinguished Service Awards** from Jim Ratley, President of the World body of the ACFE. We would like to congratulate **Steve Holotuk**, **David Connop** and **Jean Michel** for their significant contributions in the 10 years since this chapter was first set in motion. We would like to congratulate all three and thank them again for all their hard work and vision. ■



**PD OPPORTUNITIES FOR MEMBERS**

**CANADA**

**2<sup>ND</sup> ANNUAL JOINT IIA/ACFE FRAUD TRAINING, 2007:**

Vancouver March 7-8, 2007

**13<sup>TH</sup> ANNUAL ACFE CANADIAN FRAUD CONFERENCE**

Toronto May 2007

**U.S. & INTERNATIONAL LOCATIONS:**

**INVESTIGATING BY COMPUTER**

Phoenix January 2007

**AUDITING FOR INTERNAL FRAUD**

Dallas January 2007

**NEW! INTERVIEWING TECHNIQS FOR AUDITORS: ELICITING INFORMATION**

Tampa January 2007

**INVESTIGATING BY COMPUTER**

Phoenix January 2007

**NEW! INTRODUCTION TO DIGITAL FORENSICS**

Las Vegas February 2007

**CONDUCTING INTERNAL INVESTIGATIONS**

Washington DC February 2007

**CFE EXAM PREPARATION – go to**

<http://www.acfe.com/membership/become.asp> for details.

For more information see the ACFE Website at: [www.acfe.com](http://www.acfe.com)

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**CPE COMPLIANCE**

We want to remind everyone that the CPE compliance deadline is January 31, 2007.

Jean Michel will be sending out the CPE hours earned by CFEs who have attended the Chapter PD sessions throughout the year.

It couldn't be easier to update your records, simply sign on to the member section of [www.acfe.com](http://www.acfe.com) and record your compliance.

Remember we are required to earn at least 20 CPE hours per year, at least half of which must be fraud related.

**Special Message from Jean Michel**

It was difficult for me to believe that I have been involved with the Chapter for ten years until I was presented with the Distinguished Achievement Award. It has been challenging at times but also rewarding for me.

The reason I am still involved in this chapter is that you, the members, are really enjoyable people to work with.

I just want to say that this award was greatly appreciated and I thank you one and all for thinking of me. ■ **Jean Michel**

**Recent Fraud News**

**Proper Nurturing Of Whistleblower Hotlines**

This article by Melissa Klein Aguilar was included in the October 31, 2006 Compliance Week, which is normally provided to paid subscribers only. It was provided to ACFE members by a special arrangement for publication in *FraudInfo*. It is excerpted below by P. McDowell.

The ACFE's 2006 "Report to the Nation" found that organizations with a hotline typically cut their fraud losses in half: Organizations without a hotline lost an average of \$200,000 while those with a hotline lost \$100,000.

Generally companies go through 3 stages with these hotlines:

First comes a flood of small complaints, many showing a lack of understanding as to the purpose of these systems.

Second, more of the complaints received are appropriate to the medium, and a larger number of callers are seeking advice before taking certain steps.

Finally, companies may receive fewer complaints, possibly due to reduced incidences because the availability of the hotline might have a deterrent effect on potential misfeasors.

Many companies see only small numbers of frivolous reports, generally those who use a communication strategy that is careful to explain the hotline's purpose and discourage abuse.

An Ethics Resource Centre study found that 12 to 15 percent of reports received are frivolous and unfounded, 15 to 18 percent are actionable and everything else falls in the middle.

Many human-resource departments are leery of hotlines, afraid that employees will use them to tattle-tale on their neighbor, so they are overly prescriptive. For example, they might instruct employees to use the hotline only to report financial fraud. Unfortunately, people don't report financial fraud; they usually report other things that are symptomatic of larger problems, so this approach could result in no reports at all. ■

**2007 Board Election Results**

On November 20, 2006 at our AGM the Vancouver Chapter of the CFEs had the first election of directors in our ten-year history. This is significant because we actually had more people willing to serve on our board than could be accommodated under our bylaws!

As a result of the election we have seven returning board members and two new members, each of whom is profiled in this edition of our newsletter.

The board would like to welcome Christine and Russ, and remind all our members that we welcome everyone's input and assistance with the various committees. ■