



## Association of Certified Fraud Examiners – Arizona Chapter Founded in 1989

### Fall 2009 Newsletter

#### CONTACT INFORMATION:

**National ACFE:** [www.acfe.com](http://www.acfe.com)    **Arizona Chapter:** [www.cfe-arizona.org](http://www.cfe-arizona.org)  
OR mail inquiries to: P.O. Box 27693    Scottsdale, AZ 85255-0144

#### **President's Update**

**Lois A. Folk, CFE, CPA**

We have more great announcements for the ACFE Arizona Chapter to report to you in this newsletter. The Arizona chapter has offered a **Student Scholarship in Arizona**. Read on below for more highlights on the **2009 Student Scholarship** which was offered to full time students at our three state universities. Our chapter Board has also implemented a goal to offer a total of five scholarships next year, not only to the Arizona state universities. The 2010 ACFE Arizona Chapter Student Scholarship will be offered to any Arizona full time student who meets the application requirements and is selected as one of the recipients by our panel of judges. The ACFE Arizona Chapter is in full support of our college youth being educated and aware of the value of “CFE” credentials. Please read on below for information about the two new **ACFE Student Chapters in Arizona**.



#### **ACFE-Phoenix, Arizona Chapter 2009 Academic Scholarship**

We are pleased to announce the ACFE-Arizona Chapter Academic Scholarship in the amount of \$1,000 each to the students listed below:

Mr. Martin Popov, from Arizona State University, and

Mr. Jesse Tucker, from the University of Arizona

The applicants were required to have a declared major in accounting, criminology, or criminal justice. These scholarships are awarded by the ACFE Arizona Chapter's Scholarship Committee based on academic achievement demonstrated by official transcripts, application essay and three letters of recommendation. We would like to thank the members of the ACFE Arizona Chapter Scholarship Committee, chapter members Joshua Advincula, Allison Tims, and Patty Huling, our chapter Secretary.

Check our website at [www.cfe-arizona.org](http://www.cfe-arizona.org) for more details on the **2010 ACFE Arizona Chapter Student Scholarships**.



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#### Upcoming Events

##### **Annual Meeting & Holiday Lunch 12/8/09**

**Speaker:** Jack Ballentine, Phoenix Fire Department Arson Investigation Squad Former Phoenix Police Officer

**Location:** The Arizona Biltmore, Phoenix, Arizona

**SPEAKER AND TOPIC:** Jack Ballentine became a Phoenix police officer in 1978. He performed as an operative whose specialty was posing as an undercover hit man. During a 15 year period of undercover work, Jack posed as a Biker Gang Enforcer and a Mob Hit Man, just to name a few characters. His work led to a perfect record of twenty-four convictions out of twenty-four indictments on murder conspiracy charges. Jack currently heads the Phoenix Fire Department Arson Investigation Squad. Jack's presentation will provide insight into the very dangerous and challenging world of the undercover operative. His strategies and ability to bring criminals to justice is a fascinating window into crime detection and building an iron-clad case for prosecution.

For more details and **online registration** visit our website at [www.cfe-arizona.org](http://www.cfe-arizona.org) and click on "Meetings"

#### **Election Results**

The Arizona Chapter held its annual Officer and Board of Directors elections over the summer. We are excited to announce the new Board.

##### **Officers**

Lois Folk – President

Joanne Prakapas – Vice President

Nancy Stryker – Treasurer

Patty Huling – Secretary

**Webmaster:** Ryan Bodnar

##### **Board of Directors**

Darek Kochman – Student Chapters Liaison

Candice Jones – Chapter Business/Mail/Deposits/Elections

Heather Witt – Public Relations & CPE Credentialing

Susan Vos – Website & Newsletter

Pam Zanzucchi – Membership & Training



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#### 20th Annual ACFE Fraud Conference & Exhibition

July 12-17, 2009 | Bellagio | Las Vegas

This 20<sup>th</sup> Annual ACFE Fraud Conference & Exhibition had the largest attendance ever. The conference had much to offer. It was packed full of educational break-out sessions that offered a wide variety of topics to pick from such as fraud prevention, detecting and preventing employee expense and purchase schemes, computer aided investigations and much more. There was a silent auction with all the proceeds from the auction donated to the Ritchie-Jennings Memorial Scholarship program. Many networking opportunities were available throughout the Conference allowing members to get to know others in the anti-fraud profession from around the world. If you did not get the opportunity to attend the 20<sup>th</sup> Annual ACFE Fraud Conference & Exhibition, you should plan on attending the 21<sup>st</sup> Annual ACFE Fraud Conference & Exhibition which will be July 25-30, 2010 in Washington, DC at the Gaylord National Resort & Convention Center.



*Some of our AZ-ACFE board members making the most of the networking opportunities.*

#### ***PayPal Now Available!***

In an effort to make it more convenient to renew your membership and register for conferences we will soon have the ability to pay online using Paypal. Look for it the next time you register for a seminar or renew your membership.



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#### **Congratulations to the ACFE AZ Chapter's 1st CFE Exam Prep Course 50% Rebate Recipients**

##### **Jessica Puckett, CFE, CPA**

*I always knew I wanted to be a Certified Fraud Examiner. One of my college professors was a CFE, and I was extremely interested in the work he did. His stories were interesting, it was exciting to see the passion he had for his work, and I was extremely interested in the study of fraud.*

*Despite my interest in containing the CFE designation, I wasn't quite sure how to approach studying and preparing for the exam. Having previously prepared for and passed the CPA exam, I was a little uncertain about undertaking yet another challenge! I knew there was going to be a significant time commitment to study as well as a monetary commitment with the exam preparation costs and exam fees.*

*Learning about the 50% ACFE Prep Course Rebate from the ACFE Arizona Chapter was definitely the motivation I needed to get started on my exam preparation, and I submitted an essay in December 2008. In January 2009, I received the exciting news that I'd actually been selected – as long as I passed the exam by June 30<sup>th</sup>, I'd receive a 50% rebate on the prep course fee. From that point on, the CFE process moved very quickly for me. I studied from February through April and passed the exam on my first attempt in May. Knowing I had to finish everything by the end of June to earn the rebate really kept me on track with my studying!*

*Having my CFE designation for just four short months has already enhanced my career, and I'm very proud of my accomplishment. In addition to the rebate I received from the Chapter, being a member of the ACFE Arizona Chapter has been a great way to network with other CFEs and obtain some valuable CPE credit. I really can't thank the ACFE Arizona Chapter enough for offering such a generous opportunity to its members.*

##### **Sean D. Colletto**

*It was a pleasant surprise when informed I would receive the 50% AZ ACFE Prep Course Rebate. I have always been immersed in the pursuit of higher education, whether that pursuit involves an academic degree or additional certifications. I recently completed an MBA in both Finance and Criminal Justice, which has been one of my long-term goals for many years. In addition, I aspired to become certified as a Certified Fraud Examiner. Pursuing both the degree and certification simultaneously required a significant devotion of time and resources. The 50% AZ ACFE Prep Course Rebate eased some of the financial burden, but more importantly, focused my attention on completing the certification within a reasonable time period.*

*I am grateful to the Arizona chapter of the Association of Certified Fraud Examiners for the financial assistance and motivation. The chapter's generosity demonstrates the leaders' interest in fostering the educational endeavors of students and fellow professionals pursuing certification. The award reflects positively on the chapter, and I recommend that individuals interested in becoming certified as a fraud examiner apply for this financial incentive the next time it is offered.*

The Arizona Chapter will again be offering the 50% rebate off of the CFE Exam Prep Course in 2010. The Exam Prep Course is an excellent resource that can help those seeking the CFE credential pass the CFE exam. Details and requirements will be posted on our website soon.



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**Law Enforcement Professionals**  
**Written by Philip Wrona, CFE CPP CAS**  
**Division Law Enforcement Professional**

**pwrona@comcast.net**

The changing threat environment presented in the Iraq and Afghanistan conflicts has led to the development of many new technologies and strategies. One such strategy is the Embedded Law Enforcement Professional Program and the augmentation of military units by Law Enforcement Professionals (LEP) as enablers.

The LEP Program is the inspiration of the Joint Improvised Explosive Device Defeat Organization (JIEDDO). JIEDDO's Mission is to "focus (lead, advocate, coordinate) all Department of Defense actions in support of Combatant Commanders' and their respective Joint Task Forces' efforts to defeat improvised explosive devices (IED) as weapons of strategic influence."

IEDs are a weapon of choice for terrorists worldwide. Faced with the escalating use of lethal IED attacks in Iraq, and observing similarities between organized crime and IED networks, JIEDDO funded the LEP program to leverage the knowledge and skill of former law enforcement experts to attack the IED network.

JIEDDO and the Army realized soldiers were committing basic law enforcement mistakes while on patrols. From failing to properly gather evidence to failing to follow a logical course in questioning a suspect, investigations were not properly conducted and the Iraqi government was unable to prosecute terrorists. LEPs provide the skill sets to capture insurgents and criminals by applying a law enforcement counter-criminal perspective to the execution of counter-insurgency operations.

LEPs assist their military units while supporting offensive operations, intelligence collection and analysis, information operations, forensic exploitation and surveillance. They plan, deliver and lead training on street level counter-gang investigative tactics, techniques and procedures in a war fighting environment. LEPs accompany mounted and dismounted patrols on street level operations in hostile threat environments. The end result of LEPs employment has been many successful investigations leading to long-term prison sentences and death penalties to terrorists, the dismantling of criminal networks, and the prevention of countless soldier and civilian deaths and casualties.

As noted in his keynote speech at the 2008 Counter-IED Summit, Navy Captain Jeff Trumbore, JIEDDO Division Chief for Technology and Integrations Division, stated that the highly successful LEP Program "has enabled the services to disrupt the vast network by expanding operations beyond emplacers and target the finances, explosives, supply line of parts and the brains that build IEDs."

The LEP Program has succeeded so well in its stated mission that it has greatly expanded in Iraq and Afghanistan. The Department of Defense has chosen MPRI, an L-3 Communications Division, to provide LEPs for deployment with Army and Marine units operating in Iraq and Afghanistan.

LEPs typically train with their military units in CONUS for several months prior to deployment and are fully integrated with their units for the duration of the unit's deployment. They wear the Army Combat Uniform and are issued the same equipment as soldiers, including Army individual served weapons.



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MPRI is currently recruiting for additional LEPs. The majority of LEPs are retired law enforcement officers with well-over 20 years experience. There is a minimum 10 years documented criminal investigation experience preferably in Organized Crime, gangs and complex drug investigations. A simple majority are from the federal sector and the remaining LEPs are from state and local agencies, most having experience as a detective/investigator with a large metropolitan police department or on a federal task force.

This writer has been proud to serve as an embedded LEP in Iraq, first deployed with the 10th Mountain Division in Multi-National Division (MND) - Center and later with the 34th "Red Bull" Infantry Division in MND - South and welcomes inquires from future Law Enforcement Professionals. To contact Phil Wrona email: [pwrona@comcast.net](mailto:pwrona@comcast.net)



Mr. Wrona in Al-Faw Palace, which Saddam built to commemorate Iraqi Forces re-taking the Al-Faw Peninsula from the Iranians.



A special operations unit Mr. Wrona was going out with on a pre-dawn raid in Sadr City

### Eller Ethics Case Competition

<http://ethics.eller.arizona.edu/competition/>

The University of Arizona Eller College of Management held its 7th Annual Eller Ethics Case Competition from October 22-24, 2009. The competition exposed students to a thought provoking business ethics case that they could face in their professional careers. Our own Chapter Secretary, Patty Huling, and board member, Heather Witt sat on the panel of judges.

Each year for the last four years our Arizona Chapter has sponsored this event. This year our Arizona Chapter donated \$1,500 to sponsor the Eller Ethics Case Competition which involves colleges across the USA and other countries.

Congratulations to this year's winners:

**1<sup>st</sup> Place** - Daniel Bell and Charles Costa of Elon University,

**2<sup>nd</sup> Place:** Robert Horsley and Kevin Homsy, University of Southern California

**3<sup>rd</sup> Place:** Eric Sung and Jeffrey Siegel, University of Texas Austin

**4<sup>th</sup> Place:** Matthew McKenna and Michelle Fares, Georgetown University

**Essay Award Winner:** Julian Snow and Jake Wooten, Emory University



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#### **Arizona Universities Employ Fraud Education through ACFE Student Chapters**

This 2009-2010 academic year, **Arizona State University** and **Northern Arizona University** have begun the first student chapters of the Association of Certified Fraud Examiners in the State of Arizona.

**Arizona State University Student Chapter** began its organizing committee in the late summer to prepare for the upcoming year. We solicited two exceptional faculty advisors, Joe Epps and Lora Koretz, to lead and counsel the executive cabinet. Joe Epps CPA, CFF, ABV, CFE, CVA, is a Master of Accountancy Faculty Associate at the W.P. Carey School of Business, Tempe Campus, in addition to owning and operating his own CPA consulting and forensic analysis practice in Scottsdale. Lora Koretz J.D., MBA, is a Senior Lecturer within the Management Department at the business school, instructing primarily on legal, ethical, and regulatory issues.

Membership to date has reached twenty-one students; these students and *many* others, exploring their interests in fraud investigation and prevention, have filled speaking halls at two exceptional engagements this year already. Speaker topics this fall semester have included, and will include: undercover criminal investigations, FBI career opportunities, fraud prosecution, forensic accounting, and a special engagement with local professionals. The fraud prosecution engagement, on October 27<sup>th</sup> included Frank Collins, Arizona Assistant Attorney General, as the key note speaker.

#### **Arizona State University 2009-2010 Executive Cabinet includes:**

*President, Darek Kochman; Vice-President, Ethan Owen; Treasurer, Egle Inge; Secretary, Chelsie Griefenberg; Director of Events, Ashley Cole; Director of Recruitment, David Foster; Director of Public Relations, Monika Hajduk; West Valley Campus Recruitment Committee Chair, Travis Pulley; Appropriations/Transition Committee, Lauren Miller & Michael Calderon.*

**Northern Arizona University Student Chapter**, located in Flagstaff, hosted its first ACFE Student Chapter meeting in September, with over thirty-nine students interested in joining and attending monthly events. To date, twenty-three students have submitted their membership applications. NAU's faculty advisor is Jenny Staskey, MS, CPA, CFE, CDFA. Jenny is a lecturer of accounting at the WA Franke College of Business, and also maintains her own private practice where she specializes in litigation support for divorce cases and forensic accounting.

#### **Northern Arizona University 2009-2010 Executive Cabinet includes:**

*President, Brad Melnik; Vice-President, Mike Starace; Secretary, Jennifer Coules; Treasurer, Kyle Hoslinger; Director of Events, John Manecke; Director of Recruitment, Dylan Taylor; Directors of Public Relations, Cheryl Woloshyn & Kirsten Monahan.*

**Written by:** Darek Kochman, ACFE Arizona Chapter Board Member

Darek is the Director of Student Affairs, AZ Chapter of the ACFE, and President, ACFE Arizona State University Student Chapter. He is a senior accountancy student at the W.P. Carey School of Business and Barrett Honors College, Tempe, AZ. Darek has experience as a forensic accountant intern investigating mortgage fraud, business valuation, and breach of contract suit.



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**Chapter Payments** - If you have an outstanding balance for a prior training event, please resolve your account by contacting Nancy Stryker at: [treasurer@cfe-arizona.org](mailto:treasurer@cfe-arizona.org). We can no longer permit free attendance at any ACFE Arizona Chapter events if dues are not current.

An email went out recently to members who have not paid their 2009 dues. The membership for the ACFE Arizona Chapter is separate from the ACFE National organization, and separate dues are charged. The ACFE Arizona Chapter membership is very inexpensive compared to most other organizations. Each year when renewing your chapter membership, we ask that you fill out a new membership form to ensure that our records remain current.

We continually strive to offer very affordable, high quality Continuing Professional Education (CPE) for our members. We offer several 1 hour fraud related training courses throughout the year which are absolutely FREE for our members. Your prompt payments will help us to keep membership rates low.

**New Members – Join now & your membership will also include all of 2010!**

#### Newsletter Contributions

If you have a fraud-related case or article that you would like to share in a future newsletter, please submit your article to Susan Vos at [Susan.Vos@cfe-arizona.org](mailto:Susan.Vos@cfe-arizona.org). Please limit the article to one page and provide the ability to copy/paste into MS Word. We look forward to your submissions!

#### Training Committee:

We are always looking for informative and entertaining speakers on fraud-related topics for our monthly chapter meetings. We currently have the following dates open for fraud related speakers: May 18, 2010 in Arizona, and June 15, 2010 in Tucson. If you or someone you know has an interesting fraud related topic to share, please contact Lois Folk, Chapter President at [lfolk@cox.net](mailto:lfolk@cox.net), Pam Zanzucchi at [pamzanzucchi@cfe-arizona.org](mailto:pamzanzucchi@cfe-arizona.org) and Heather Witt at [heatherwitt@cfe-arizona.org](mailto:heatherwitt@cfe-arizona.org), Chapter Training Directors.

**Thank you for your continued support and participation at ACFE Arizona Chapter events!**

[www.cfe-arizona.org](http://www.cfe-arizona.org)