



Middle Tennessee Chapter of the Association of Certified Fraud Examiners

May 2016

The Examiner

President's Notes

by Nathan Abbott, CFE, CISA, EA

Wow - the year is almost up! The picture to the right is a great representation of my year as your chapter President. Even though my year as President is coming to a close, the work of the chapter does not stop. And that brings me to elections! We have several individuals who have shown interest in the open positions on the board. Here is your 2016 ballot:



Vice-President:
Kesha Thomas

Member-at-Large (2 open positions):

- Michael Baer
- Barry Pruitt
- Demetra Pulley
- Jessica Scouten
- Sharon Matheny

I want to thank these individuals who are willing to volunteer their time to serve on the board - best of luck to everyone on the ballot! I will be sending out the link soon to vote.

I also want to thank the current board. We could not accomplish all our work without a great team in place. This year we provided over 31 hours of quality CPE to our members. I believe we have a great organization and I look forward to seeing this organization continue to grow.

Mark your calendar for our social event on June 9th! This is free for members and will be a luncheon held at Scarritt Bennett.

Have a great day!

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Calendar of Events



Our 2015 – 2016 CFE luncheons will be held at the Scarritt-Bennett Center located at 1008 19th Avenue South in Nashville. You will find this year's calendar below. All luncheons will begin at 11:30 am. The event dates remaining for this year are:

Luncheon – May 19, 2016
Social – June 9, 2016*

* member-only events

CFE Prep Course Giveaway

The Middle Tennessee Chapter, ACFE, has a drawing each year to give away a CFE Exam Prep Course, valued at \$745 (member price) to a chapter member who is not yet a CFE. To be eligible:

1. Contestant must be a member of the Middle Tennessee Chapter of the ACFE, in good standing for at least six (6) months (prior to the date of the drawing).
2. The Contestant must have not yet earned their CFE certification.
3. The Contestant must be eligible and willing to meet all requirements to become a Certified Fraud Examiner and sit for the CFE exam by December 31st of the year in which the contestant is determined to be the winner of the contest and receives the prep-course**.
4. Should it be determined the winning Contestant has not met the requirements set forth above, the winning contestant must reimburse the Chapter for the cost of the prep-course by January 31st in the year following the drawing (i.e. Contestant wins the prep-course in June 2015; reimbursement would be due January 2016).



To Enter:

All those who are eligible and agree to the terms of the drawing should contact Mark.Ingram@tn.gov to enter the drawing and submit the CFE Exam Prep-Course Giveaway Contest, Agreement to Terms and Conditions form no later than June 1st.

CPE Certificates

How do attendees to events get a CPE certificate? Certificates are emailed out after the event. If you did not get a certificate, it may be that you did not pay, failed to sign in at the event, or gave a wrong email address. Please remember to update your information on the new chapter website to ensure that you will receive your certificate promptly.



Please email info@middletennesseecfe.org to request a copy of your CPE certificate.

Just a Sign-In Sheet or Evidence? By Suzzie Singleton, Chapter Training Director

There are three basic types of evidence: Testimonial, Real and Demonstrative.* *Testimonial evidence* is oral statements made by witnesses under oath. *Real evidence* includes documentary evidence and physical evidence that have played a part in whatever is being litigated. This can include items such as ledgers, invoices, canceled checks or sign in sheets and physical evidence can be items such as copy machines or recordings that may show what occurred on or around them. These items provide support, one way or the other, to the case. *Demonstrative evidence* is something that is created specifically for trial, such as a graph or chart to be used as a visual aid.

As I am not an attorney, I will stop here with the legal discourse. But why is it important? Because, as a sponsor organization offering continuing professional education (CPE) classes for a variety of certifications, we are held to standards for awarding that CPE. We are required to keep the following as proof:

- Records of participation
- Dates and locations
- Instructor names and credentials
- Number of CPE credits earned by participants
- Results of program evaluation

The Chapter also must have information related to course development such as copies of program materials, and a record of how CPE credits were determined.

The message below that is on the email reminders for the conference is our way of reminding you of the importance of your part in completing the documentation that is evidence of your attendance:

Remember to complete the sign-in sheet at the conference registration table to be eligible to receive your CPE credits and Certificate. The CPE Certificates will be emailed to you after the conference. Once the event has ended, the sign-in sheets are completed. Signatures of the attendees on the sign-in sheet will be the only valid evidence of attendance. If you do not sign in, you waive your right to receive CPE credits.

We also announce reminders to sign in and why it is important. As we have to keep this evidence for a period of time as proof of attendees and of the program offered, we rely on documentary evidence. Per NASBA, whose guidelines the Tennessee State Board of Accountancy follows, the "key is that the attendance monitoring should provide the CPE program sponsor with a level of comfort, and ensure that the CPE credits awarded to a participant are accurate." The organization is required to perform a number of tasks in order to comply with all the regulatory requirements for the presentation of CPE. The attendee has only one responsibility-sign the sheet. Failure to do so demonstrates a lack of accountability that is the bedrock of our profession.

As an ACFE Chapter, full of investigators and fraud examiners, we rely on evidence, such as documentation proving when and where someone is, and without that documentation, we can't prove it. We, as an organization providing CPE within the guidelines of standards of Tennessee Board of Accountancy, can do no less and should not be asked to do less, thus losing our credibility and our ability to continue to provide CPE in the future.

So is it just a sign-in sheet or evidence? The answer is when properly used, sign-in sheets serve as evidence of an individual's attendance.

**Legal information obtained from "2012 US Fraud Examiners Manual."*

Chapter Scholarships

Our chapter gives away thousands of dollars in scholarships each year to deserving students. Please see our chapter website at <https://middletennesseecfe.wildapricot.org/Scholarships> for more information.



Important Meeting Information

Luncheon Reservation/Cancellation Policy—Please Take Note!



Please be sure you make reservations for the luncheons prior to attending. We need the reservations to plan appropriately for our attendees and to eliminate confusion at the luncheons. You will receive a confirmation email after you submit your reservation.

Luncheons are \$10.00 for members who make their reservations by the reservation deadline, usually the COB one week prior to the luncheon. For members who make a reservation but do not attend or call to cancel, the cost is \$20.00. Individuals who attend without making a reservation will also be charged \$20.00.

To cancel your reservation and avoid being invoiced for the event, you must notify the reservationist, Mary Cole (mary.c.cole@cot.tn.gov), before the reservation deadline (usually one week prior to the date of the event). If you cancel after the deadline or fail to appear at the event, you will be invoiced for the full per-attendee cost, including other fees that apply as deemed appropriate by the Board. Any pre-paid fees that you have will be applied to the invoiced amount.

Any invoices that are unpaid after 60 days will result in the suspension of membership in the Middle Tennessee Chapter under the current Chapter Bylaws Section 3.09, Non-payment of Dues*. As a result of suspension, any reservations you make for future events will not be **ACCEPTED** and you will not be allowed to attend Chapter luncheons or take advantage of member benefits until your outstanding invoices are paid.

We typically have a waiting list for our events, so if you must cancel your reservation, **PLEASE** notify the reservationist, Mary Cole (mary.c.cole@cot.tn.gov), as soon as possible, or you may have someone attend in your place to avoid being invoiced for the luncheon. If you have someone take your place, you must notify the reservationist or have the substitution notify the reception/sign-in table at the luncheon when signing-in.

Other exceptions may apply in extreme situations (i.e. death of a family member) and will be reviewed on a case by case basis at the discretion of the Chapter Board at the member's request.

Members, if you are inviting nonmembers to attend who are not first time attendees, please be sure that they are fully aware of their costs and our cancellation and invoicing policy. First-time guests eat free. After a guest's first visit, he or she will be charged \$20.00 according to the non-member fee schedule. No Free Guests are allowed at joint luncheons, due to elevated costs, or Member Benefits Events, such as the December Luncheon or January Member Benefit Training Day.

If you have any questions concerning the luncheon costs or the Chapter's cancellation policy, please feel free to contact Mark Ingram, Chapter Treasurer at mark.ingram@tn.gov.

New Members

We would like to welcome the following new members to our chapter:

Johnny Cagle
Midhat Girgis
Cynthia Minnick
Heather Riedinger
Michael Yeargin

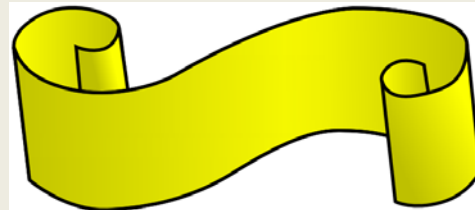
Fruit of the Loom
TN Department of Revenue
TN Department of Finance & Administration
Deloitte
TN Department of Health



New CFEs



Congratulations to Martin Brown, who received his framed CFE certificate at the April luncheon!



May Luncheon Information



We will hold our May luncheon on Thursday, May 19, 2016, at 11:30 am in the Raintree Room at the Scarritt-Bennett Center. Scarritt-Bennett is located at 1008 19th Avenue South, Nashville, TN 37212. Directions are available at <http://www.scarrittbennett.org/about/maps-directions/>

Scarritt-Bennett visitor parking is available in Parking A or Parking B. Please be aware that parking can be limited due to other events held on the same day as ours. Other parking options include the Wesley Place Garage on Scarritt Place between 19th and 21st Avenues or the meters along 19th Avenue. Approximate prices are \$1.00 per half hour and the parking meters are \$1.50 per hour in the Central Business District. Members may want to consider carpooling or bringing cash or change to pay for parking if necessary.

May Luncheon Speaker

Our May luncheon speaker is Laura Slatton, Special Agent with the U.S. Department of Energy. She will be speaking about OIG investigations and some examples of fraud cases she has worked.



Special Agent Laura Slatton graduated from the University of Tennessee with a major in Accounting and is a Certified Public Accountant. Laura began her federal career in 2002 with the U.S. Department of Energy's Office of Inspector General (OIG) as an Auditor. She was Auditor of the Year in 2005. Laura became a DOE OIG Criminal Investigator in 2007. As a Federal Law Enforcement Officer, Laura has specialized in complex white collar crimes against the Government resulting in multiple convictions and funds returned to the United States Treasury. Many of her investigations focused on money laundering, kickbacks, and embezzlement. Prior to joining the OIG, Laura worked for 10 years in corporate accounting.

April Luncheon Minutes



President Nathan Abbott called the meeting to order. He announced that the chapter would be giving away a CFE prep course and to contact Mark Ingram for more information. He also noted that the chapter would be giving away a \$1500 scholarship and five \$1000 scholarships; more information is available on the chapter website, and an email will be going out soon.

Nathan also announced that board nominations for the upcoming chapter year were open and for anyone interested in making a nomination to contact Jason Conner. Nathan then asked the current board members to stand. He noted that the group registration discount for the national conference in Las Vegas in June was no longer available, but it was not too late to register for the conference. He announced that the 2017 national conference will be in Nashville, and the chapter will provide more information as it is received. Nathan then noted that long-time chapter member Hal Wilson had passed away.



After the guests were introduced, Suzzie Singleton introduced the luncheon speaker, Chris Thorsen, an attorney with Bradley Arant Boult Cummings LLP. Mr. Thorsen presented a case study of fraud from the outside counsel's perspective. Mary Cole won the door prize. Nathan presented a framed CFE certificate to Martin Brown. Nathan then announced that the next meeting would be May 19. The meeting was then adjourned.

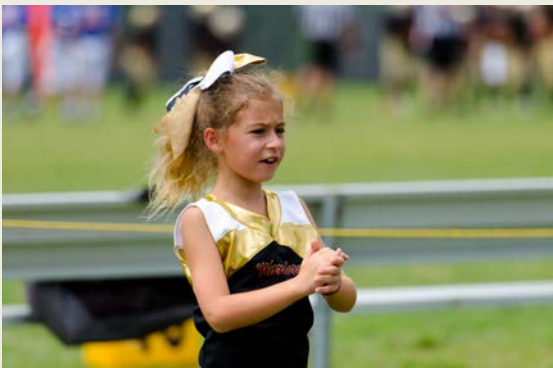
Member Spotlight Drew Hawkins, CFE MTACFE Board Member-at-Large



I was born and raised in Louisville, Kentucky where I attended Louisville Male High School. After graduating high school, I attended Bethel College and double majored in Accounting and Business Administration. Soon after graduating from college, I began my career as a Financial and Compliance Auditor for the Comptroller's Office. I became a CFE in 2000 and have been a Middle Tennessee CFE chapter member ever since and was recently elected to serve on the board of our chapter. After 8 and half years in State Audit, I transitioned to the Assistant Director of Internal Audit for the Department of Finance and Administration, where fraud investigations were a large focus. For the past three and half years, I have served as the Assistant Director of Fiscal Services for the Comptroller's Office. In my current role, I am responsible for managing the Comptroller's Fiscal and Facilities Offices, developing and managing the budget, facilitating the annual Management Risk Assessment process,

and many other tasks. Each of the three positions I have held with the state have been challenging, and I continue to learn every day.

I have been married to my wife Denise for almost 16 years. We have two children, Cam and Carlie, and we live in Murfreesboro, TN. I used to have cool hobbies, such as riding Harley motorcycles, playing roller hockey, and scuba diving, but now, my kids' hobbies are my hobbies. My current hobbies are things that can be accomplished at a much slower pace and that take less time, such as photography, gardening and watching the Nashville Predators play



hockey. Go Predators! Cam plays ice hockey for the Nashville Flyers, which is named after the Dixie Flyers (a former minor league team in Nashville). I am the team's unofficial photographer. He had the fortune this past season to play at a tournament at the University of Notre Dame. Carlie is an aspiring young cheerleader, and she has taught me many cheers and that a back

handspring is not the same thing a flip. This past fall, her teammates voted her as homecoming queen for the Warriors Youth Football League.



Middle Tennessee ACFE Chapter Library

Did you know that the Middle Tennessee Chapter has a library of fraud-related books that are available to members? To check out books, contact Suzanne Smotherman, chair of the Library Committee, at (615) 253-2020 or Suzanne.Smotherman@tn.gov. The library is currently housed on the 16th floor of the James K. Polk building.



Member Spotlight Volunteers Needed



The Newsletter Committee is looking for volunteers to be featured in the Member Spotlight! If you would like to volunteer, please contact a member of the Newsletter Committee. It's a great way to introduce yourself to the chapter!

Speaker Search

Our chapter is always on the lookout for speakers for luncheons, the Member Benefit Day, and the Annual Fraud Conference. If you know of someone who might be willing to speak, please contact the chapter Training Director, Suzzie Singleton, at Suzzie.Singleton@cot.tn.gov.



Important Information Regarding CPE Suspensions



According to <http://www.acfe.com/myannouncements.aspx>, beginning January 1, 2015, CFEs with five or more years of CPE suspensions will be placed into Associate member status. Should these individuals want to reinstate the CFE credential they will be required to take the CFE Exam. If you have any questions about this new requirement, contact the ACFE at 1-800-245-3321. If a CFE does not certify compliance on an annual basis, their credential will be placed into suspension. Suspended status prohibits individuals from representing themselves as CFEs to the general public and using the credential in any form.



National Conference Contest Points System



Congratulations to Melinda Weir, who won an all-expense paid trip to the 2016 national conference, which will be held in Las Vegas, Nevada. Start compiling your points for the 2017 national conference, which will be held right here in Nashville! To be eligible for the contest, you must be a member of MTACFE, in good standing, for at least 12 months, and you must have attended a prior MTACFE annual fraud conference. Submit a breakdown of your total points earned between January 2016 and December 2016 to

mark.ingram@tn.gov by February 15, 2017. Please have supporting documentation available for your points.

<u>Category</u>	<u>Points</u>
Attending Monthly Chapter Meeting	1 point per meeting
Publish Article in Chapter Newsletter	2 points
Sponsoring a New Member	2 points per new member
Publish member profile in Chapter Newsletter	1 point
Contribution to “Been There, Said That, Done That”	1 point/contribution/month
Publication of Case Results	2 points
Participating as a speaker in the Chapter Speaker’s Bureau	2 points per engagement
Publication of an article in the Association’s <i>Fraud Magazine</i>	3 points
Attending the Chapter’s 19 th Annual Conference	2 points
Service on Chapter Committee	2 points





ACFE Middle Tennessee Chapter 2015- 2016 Chapter Officers, Board Members, and Committee Members

CHAPTER OFFICERS AND BOARD MEMBERS

President	Nathan Abbott, CFE, CISA, EA	401-7841	nathan.abbott@cot.tn.gov
Vice-President	Jason Conner, CFE	747-5398	jason.conner@cot.tn.gov
Past President	Micheal Baer, CFE, CIA	341-1295	micheal.baer@cat.com
President Emeritus	Dennis Dycus, CFE, CPA, CGFM	794-0836	dfdcpa@bellsouth.net
Treasurer	Mark Ingram, CFE	532-5060	mark.ingram@tn.gov
Secretary	Melissa Boaz, CFE, CPA, CGMA	747-5305	melissa.boaz@cot.tn.gov
Training Director	Suzzie Singleton, CFE, CGFM	401-3037	suzzie.singleton@cot.tn.gov
Member at Large	Andrew Hawkins, CFE	401-7743	andrew.hawkins@cot.tn.gov
Member at Large	Barry Pruitt, CFE, CFI, CCTA	270-780-2971	bpruitt@houchensindustries.com
Member at Large	Sharon Matheny, CGFM	330-6302	sharonmatheny@hotmail.com

COMMITTEE CHAIRS AND MEMBERS

Website	Nathan Abbott, CFE, CISA, EA (Chair)	401-7841	nathan.abbott@tn.gov
Library	Suzanne Smotherman, CFE, CPA (Chair)	253-2020	suzanne.smotherman@tn.gov
Newsletter	Melissa Boaz, CFE, CPA, CGMA	747-5305	melissa.boaz@cot.tn.gov
	Jennifer Whitsel, CFE, CPA, CGMA	747-5265	jennifer.whitsel@cot.tn.gov
	Melinda Weir, CFE	532-0955	melinda.weir@tn.gov
Hospitality	Mary Cole, CFE, CPA, CGFM (Chair)	747-5252	mary.c.cole@cot.tn.gov
	Kesha Thomas, CFE, MCJ	747-5397	kesha.thomas@cot.tn.gov
	Judy Tribble, CFE, CPA	253-1760	judy.tribble@tn.gov
	Suzanne Smotherman, CFE, CPA	253-2020	suzanne.smotherman@tn.gov
Membership	Bridget Carver, CFE (Chair)	401-7959	bridget.carver@cot.tn.gov
	Kesha Thomas, CFE, MCJ	747-5397	kesha.thomas@cot.tn.gov
	Scarlet Sneed, CFE, CPA, CGFM, CGMA	747-5243	scarlet.sneed@cot.tn.gov
	Tom Stoquert, CFE, MBA	253-8842	tom.stoquert@tn.gov
	Demetra Pulley, CFE, MBA/HRM, CICA	327-6424	dpulley@mmc.edu
Scholarship/ Outreach	Scarlet Sneed, CFE, CPA, CGFM (Chair)	747-5243	scarlet.sneed@cot.tn.gov
	Danny Hall, CFE	741-4314	danny.hall@tn.gov
	Phil Job, CFE, CPA	401-7895	phil.job@cot.tn.gov
	Melissa DeBerry, CFE	747-5214	melissa.b.deberry@cot.tn.gov
Job Placement	Amanda Cain, CFE	747-5364	amanda.cain@cot.tn.gov
Historic	Britt Wood, CFE, CPA, CGFM, CISA, ACDA (Chair)	532-6076	britt.wood@tn.gov
	Cindy Vaughn, CFE	428-0969	cynthia.r.vaughn@tn.gov
	Vincent Finamore, CFE	401-7898	vincent.finamore@cot.tn.gov
Nominating	John Gullett, CFE, CPA, LNHA (Chair)	225-1814	jgullett@tsvh.org
	Britt Wood, CFE, CPA, CGFM, CISA, ACDA	532-6076	britt.wood@tn.gov
	Andrew Hawkins, CFE	401-7743	andrew.hawkins@cot.tn.gov
Conference	Bob McCloud, CFE, CGFM	747-5210	bob.mccloud@cot.tn.gov
	Mary Cole, CFE, CPA, CGFM	747-5252	mary.cole@cot.tn.gov

NOTE: Chapter officers and board members comprise the Annual Fraud Conference Committee

Contact Us



Middle Tennessee Chapter, Association of Certified Fraud Examiners:

Email: info@middletennesseecfe.org

Website: www.middletennesseecfe.wildapricot.org

Mailing address: P.O. Box 198361
Nashville, TN 37219

Association of Certified Fraud Examiners Headquarters:

Email: memberservices@ACFE.com

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Mailing address: The Gregor Building
716 West Avenue
Austin, TX 78701

Phone: 800-245-3321
512-478-9000

Fax: 512-478-9297

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<https://www.linkedin.com/groups?mostPopular=&gid=66889>



<https://www.facebook.com/AssociationofCertifiedFraudExaminers>



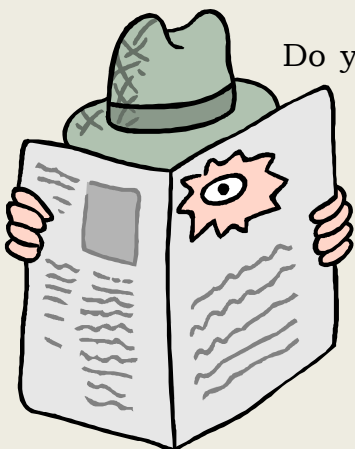
<https://twitter.com/TheACFE>



<https://www.youtube.com/user/TheACFE>



Newsletter Articles



Do you have a great article to contribute to the Middle Tennessee Chapter, ACFE newsletter? If so, we would love to hear from you! Please contact a member of the Newsletter Committee with your ideas and articles. Remember, you receive points for your articles that count toward the trip to the National ACFE conference! Also, if you note any corrections that need to be made, please contact one of us.