



Middle Tennessee Chapter of the Association of Certified Fraud Examiners

September 2015

President's Notes

by Nathan Abbott, CFE, CIA

The Examiner



"Change is in the air, as old patterns fall away and new energies are emerging. Consciously release what needs to be released, and welcome with a full embrace the newness you've prayed for and so richly deserve."

— Marianne Williamson

I came across this quote, which sums up what has been going on for me both personally and professionally. Personally, change is in the air at home as my wife and I embrace the newness of our girls starting kindergarten. Professionally, I start my year as your Middle Tennessee Chapter president and I am really looking forward to the upcoming year.

First, I want to introduce you to this year's MTACFE officers: Jason Conner (Vice President), Mark Ingram (Treasurer), Melissa Boaz (Secretary), and Suzzie Singleton (Training Director). We have also appointed four new members to the board: Micheal Baer (Immediate Past President); and Don Johnson, Sharon Matheny, and Barry Pruitt as Board Members-at-Large. We want to hear from you, so please let us know your questions and suggestions.

One of my goals as President is to have better communications with our members. *Hans Hofmann said, "The ability to simplify means to eliminate the unnecessary so that the necessary may speak."* To make it easier for us to communicate, we have redesigned our website and membership base. We are using a product called Wild Apricot. This product allows members to update their contact information. This will also allow us to accept online payments for all of our events and membership dues. You will be receiving an email from the website with a username and password. I ask that you log in and reset this

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password and update your contact information. Many more features will be coming to the new website so stay tuned! And I appreciate your patience as we build a better chapter for you.

I am looking forward to our first meeting for this chapter year - so mark your calendar for Thursday, September 17 at Scarritt-Bennett Center.

Calendar of Events

Our 2014 – 2015 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 luncheon dates this year are:

Thursday, September 17, 2015
 Thursday, October 15, 2015
 Thursday, November 19, 2015
 Christmas Social – December 17, 2015
 Member Benefit Day – January 2016
 Joint Luncheon with AGA – February 2016
 Annual Conference – March 7 & 8, 2016
 Thursday, April 21, 2016
 Thursday, May 19, 2016
 Social – June 9, 2016



CFE Prep Courses and Scholarships

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.

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

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 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.



Important Meeting Information

Luncheons are \$10.00 for members who make their reservations by COB on Wednesday prior to the luncheon. For members making their reservations after COB on the Wednesday before the luncheon, and 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.

Adopted Policy @ \$21.09 per plate cost		
	Luncheon Fee	Chapter Cost
Member w/ Reservation	\$10.00	\$11.09
Member w/o Reservation	\$20.00	\$1.09
Member No-Show	\$20.00	\$1.09
Non-Member w/ Reservation	\$15.00	\$6.09
Non-Member w/o Reservation	\$20.00	\$1.09
1st Time Visitor	Free	\$21.09

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.

Any cancellations **(after we have submitted the number of attendees to the facility)** or no-shows will be invoiced for the full cost of the meal: \$20.00. Payment of invoices will be due within 60 days of date of invoice. Any unpaid invoices after the 60 day period will result in any reservation for future luncheons to be **CANCELED** and you will not be allowed to attend Chapter luncheons or take advantage of member benefits until your outstanding invoices are paid.

If you must cancel your reservation, you must notify the reservationist, Mary Cole (Mary.C.Cole@cot.tn.gov), by the deadline listed in the reservation email, which is usually one week prior to the luncheon, or you may have someone attend in your place and 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. 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.

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 \$15.00 for the lunch with a reservation, and \$20.00 without a reservation 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.

Important New Information Regarding CPE Suspensions



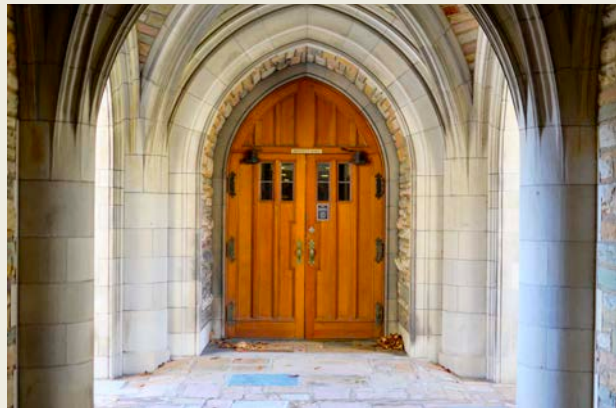
According to the ACFE's website at <http://www.acfe.com/myannouncements.aspx>, beginning January 1, 2015, CFEs with five or more years of CPE suspensions will be placed into Associate member status. Should these individuals want to reinstate the CFE credential they will be required to take the CFE Exam. 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.

New Members

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

Colleen Dean, Tennessee Bureau of Investigation

Jane Lacy, Tennessee Department of Revenue



September Luncheon

We will hold our September luncheon on Thursday, September 17, 2015, at 11:30 am at the Scarritt-Bennett Center in the **Laskey Great Hall**. Scarritt-Bennett is located at 1008 19th Avenue South, Nashville, TN 37212. Directions are available at <http://www.scarrittbennett.org/about/maps.aspx>

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.

September Luncheon Speaker

Our September luncheon speaker is Herman Statum. He will be speaking on information security for fraud examiners.



Herman Statum has over 35 years' experience in assets protection, security management, loss prevention, and emergency planning. He served as corporate director of security for two corporations with operations nationwide, including manufacturing plants, distribution centers, and retail stores. He also served as Branch Chief in the Headquarters, Department of Army Law Enforcement Division in the Pentagon, and he served as the Executive Director of the Department of the Army Physical Security Review Board, which was the Army Secretary's principal group for protecting personnel, facilities, data systems, and weapons of mass destruction worldwide. Herman chaired the 1,000-member Washington, DC Chapter of the American Society for Industrial Security (ASIS) International and served six years on the ASIS Board of Directors. He also served on the Executive Advisory Board of the American Board for Certification in Homeland Security.

Herman is board certified in security management as a CPP (Certified Protection Professional) and certified as a CFE (Certified Fraud Examiner) and licensed as a PI (Private Investigator). In addition, he is certified in Homeland Security as a CHS-V and designated as a Diplomate by the ABCHS. Herman is a US Army Airborne, Ranger and Special Forces Officer veteran with 20 years' service, including 11 years overseas and was a combat volunteer with two tours in Vietnam assignments. He holds a BS degree from Middle Tennessee State University and is designated as a Distinguished Military Graduate and member of Kappa Delta Pi. Herman has a Master of Science degree, with highest honors, from the University of Southern California. He graduated from the US Army Command and General Staff College and the United Kingdom Joint Warfare Establishment in England. Herman has served on the academic advisory committees of four colleges and taught criminal justice and security courses at Northern Virginia Community College, Columbia State Community College, Remington College, and the University of Phoenix.

He and Mrs. Statum were honored as Generous Donors by the Community Foundation of Middle Tennessee. Herman was honored by the American Board for Certification in Homeland Security as the recipient of its Annual Leadership Award. In 2015, the Middle Tennessee Chapter of the ASIS International presented Herman with the new ASIS Lifetime Achievement Award for his distinguished career and his commitment to the advancement of the private security industry. The award bearing his name will be presented annually to a deserving ASIS member or to a public safety official.

Member Spotlight Dylan Morse, CFE, JD



Hi, I'm Dylan Morse and "*This is My Life (abridged version).*" I was born and raised in a small (at the time) unincorporated part of Hamilton County called Ooltewah, which is 30 minutes outside of Chattanooga. I won the parents lottery being raised by John & Donna Morse, hardworking hippies who named me after their favorite singer, Bob Dylan. My father is one of the few who joined the Army voluntarily during Vietnam, then after his honorable discharge switched out his dog tags for bell bottoms. Though both of my parents have had successful careers (Dad has an electrical engineering degree and my Mother is a seamstress) they have never let go of that "work hard – play hard" mentality, and that stuck with me. My Mamaw & Papaw's 40 acre farm is also across the street from the house I grew up in; so many hours were spent mending fences, corralling escaped horses, bailing/throwing hay and bush hogging on our old Deutz tractor. I also made time to pester my older brother Derek and play with many cousins. Derek is 6-foot-6 so bothering him usually didn't end well

for me. I was truly blessed to have grown up in this environment surrounded by a large, hardworking, funny and generous family.

I graduated from Ooltewah High School in 2000 and took a scholarship to attend the University of Tennessee at Chattanooga. I also obtained my Eagle Scout rank. I graduated from UTC magna cum laude with a B.S. degree in Criminal Justice in 2004. My plans at that time were to join the Chattanooga Police Department, where some friends of mine were already employed (my Mom couldn't understand how she had raised a "G-Man"). However, I also had my sights on the FBI and applied at several law schools in the southeast. Much to my parents' elation, I was accepted to attend the Nashville School of Law and moved from Chattanooga to Nashville in July of 2004. I worked full time during the day as Metro Nashville substitute teacher, a server at Rafferty's and finally a law clerk at a local law firm, all while attending law school at night. This truly was one of the most stressful times in my life; I was broke, had little free time and the schoolwork was voluminous and brutal. I can honestly say that NSL does not hand out "Easy A's" in any class (and A's were few and far between at times!). However, I made some lifelong friends and had great fun along the way.

I graduated from Nashville School of Law in May of 2008 and studied 64 STRAIGHT DAYS to take the July 2008 bar exam. Not many fond memories there, it is a brutal 2 day test that will stretch you to the limits of your intellect, endurance and is a true test of performance under intense pressure. I was so elated when I walked out of that testing facility that I went out and bought my first 40 inch HDTV, a congratulations gift for surviving! In October 2008 I found my name on the "Success List" for the July examination, I was now licensed and ready to begin my hallowed and legendary career with the FBI. But then, as you know... life happens.

During my first year of law school, one of my roommates worked as a server at the Carabba's in Green Hills. It was December 2004 and I was studying for my first set of law school midterms, so I was unable to head to Ooltewah for Christmas until later in the

month. My roommate invited me to their Christmas party, and after living off of frozen chicken and canned vegetables for months Italian food was sounding pretty good! One of the Carabba's bartenders at the party was this stunning southern California blond named Corinne. She was a graduate of Stanford, and a singer/songwriter who was working at the restaurant to make ends meet. She was also in charge of the free drink tickets at the party so I wanted to befriend her very quickly. We hit it off pretty well (so I thought) and at the end of the night I asked her for her number. This request was immediately rejected, which upon reflection is pretty understandable. But we kept on running into each other over the next few months (I did finally get her number!) and we started dating. Dating led to love, love led to marriage (on October 3, 2009), marriage led to two fantastic children (Drake the Daring born on 7/7/11 & Scarlett the Baroness of Sweet & Sass born on 2/7/14). Corinne is currently a co-owner of Nesting Project (a custom garment printing and stationery printing company) in Nolensville, where we now reside.



But back to the FBI...I always wanted to be an investigator, but in July 2008 with a songwriter girlfriend (with whom I had "outkicked my coverage"), moving away from Nashville was not possible. So I took my new law license and became staff attorney at the law firm that I had clerked for during school. I practiced law in the field of collections, criminal defense and family law. I also ended up a solo practitioner in Nashville, taking indigent criminal defense appointments and jumping in and out of courtrooms and jail facilities. It was exciting, but it was not a living, especially during The Great Recession (where the legal field is still recovering after major retraction). In late 2010 I saw an opening for Transportation Investigator at TDOT, applied and with some luck got the job. Investigating fraud, waste and abuse on behalf of the TDOT commissioner was the perfect place to use my legal knowledge in a new exciting field. I learned from some great investigators and completed some interesting and challenging cases. In August of 2013 I joined the Tennessee Comptroller of the Treasury's Special Investigations Unit as a Legislative Investigative Auditor. The work is still fraud, waste and abuse, but is certainly more technical than past cases. The SIU has been a challenging and fantastic place to learn more about the methodical skill that goes into in-depth, accurate and reliable reports. There is nothing like taking your case in front of the grand jury and getting a successful indictment, you can quantifiably see the difference your work is making.

I am lucky and I am blessed. Whenever things in life are getting tough, I sincerely try to put things into perspective. There are others who have worked as hard as me, but do not have all that I have. I am not rich, but I am wealthy with a healthy family, wonderful wife & kids and great friends. I hope that it is the same for you. Thank you for your time.

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.



June Social

The Chapter held its annual June Social on Thursday, June 25, 2015 at the Susie Gray Dining Hall at Scarritt-Bennett College. Attendees enjoyed a meal and fellowship, and the Chapter awarded scholarships and installed the new Chapter officers.



National Conference Contest Points System



Congratulations to Melinda Crutchfield, who won an all-expense paid trip to the 2015 national conference, which was held in Baltimore, Maryland. Start compiling your points for the 2016 national conference, which will be held in Las Vegas! Simply earn points according to the following schedule. The Chapter’s treasurer, Mark Ingram (Mark.Ingram@tn.gov) will be tracking the points earned. Please submit your points to Mark as you earn them to be sure you are appropriately credited. Points earned between January 2015 and December 2015 will be for the 2016 national conference. The winner of the 2016 trip will be announced at the MTACFE annual conference in March 2016!

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<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
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Member at Large	Barry Pruitt, CFE, CFI	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
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	Demetra Pulley, MBA/HRM, CICA	327-6424	dpulley@mmc.edu
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	Phil Job, CFE, CPA	401-7895	phil.job@cot.tn.gov
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	Vincent Finamore	401-7898	vincent.finamore@cot.tn.gov
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	Britt Wood, CFE, CPA, CGFM, CISA, ACDA	532-6076	britt.wood@tn.gov
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	Mary Cole, CPA, CGFM	747-5252	mary.cole@cot.tn.gov

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

Contact Us



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512-478-9000
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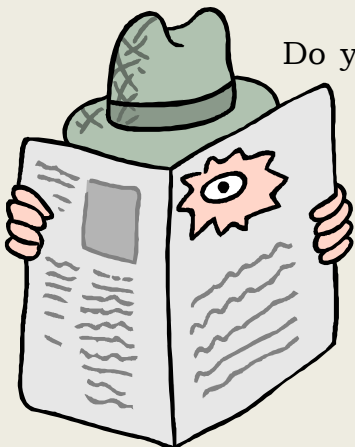


<https://twitter.com/TheACFE>



<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 Melissa Boaz at Melissa.Boaz@cot.tn.gov , Jennifer Whitsel at Jennifer.Whitsel@cot.tn.gov , or Dylan Morse at Dylan.Morse@cot.tn.gov 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.