

**THE FIRST ANNUAL
JOINT IIA/ACFE FRAUD CONFERENCE**



HOFFMAN ESTATES, ILLINOIS

MAY 11, 2012

WELCOME

Dear Conference Attendees:

The Conference Committee would like to thank you for participating in this event.

The First Annual Joint IIA/ACFE Fraud Conference signifies the first time the Institute of Internal Auditors and the Association of Certified Fraud Examiners have collaborated in the Chicagoland area. Leaders from the IIA Northwest Metro Chicago Chapter and ACFE Greater Chicago Chapter have formed a partnership dedicated to sharing knowledge on the topic of fraud.

To mark the importance of the event, there are not one, but five keynote speakers. We are honored that among those speakers are Denny Beran, the Chairman of the IIA and James Ratley, CEO and President of the ACFE.

The partnership between the IIA and ACFE will continue with an annual fraud event in the Chicagoland area. It is our mission to provide attendees with quality speakers and relevant information on fraud-related topics.

We welcome your comments and suggestions.

Sincerely,

Joint IIA/ACFE Fraud Conference Committee

Joint IIA/ACFE Fraud Conference Committee
info.joint.fraud.conference@gmail.com

CONFERENCE AGENDA

Registration & Continental Breakfast 7:00 – 8:30

Sponsored by: Grant Thornton

Conference Begins 8:30

**Master of Ceremonies: Mark J. Alexander
President IIA NW Metro Chicago: Brian Babendir
President ACFE Chicago: David Marshall**

James Ratley 9:00 – 10:00

“Planning and Conducting Your Internal Fraud Examination”

Networking Break 10:00 – 10:30

Denny Beran 10:30 – 11:30

“Enhancing the Value of Internal Audit”

Networking Lunch 11:30 – 12:30

Peter Goldman 12:30 – 1:20

“How to Prevent, Detect and Report Fraud in Your Organization”

Networking Break & Afternoon Snack 1:20 – 1:45

Sponsored by: Apex Analytic

Kathy Lavinder 1:45 – 2:35

“Employment Trends and Opportunities in Fraud Investigation”

Networking Break 2:35 – 2:45

Harry Markopolos 2:45 – 4:15

“Financial Regulations Past, Present & Future – How America Combats White Collar Crime”

Conference Conclusion 4:30

ACFE GLOBAL LEADERSHIP



JAMES D. RATLEY
CEO AND PRESIDENT

THE ASSOCIATION OF CERTIFIED FRAUD EXAMINERS (ACFE)

Presentation:

“Planning and Conducting Your Internal Fraud Examination”

James D. Ratley, CFE, has served as the President of ACFE since 2006. Mr. Ratley graduated from the University of Texas at Dallas, with a Bachelor's Degree in Business Administration. In 1971, he joined the Dallas Police Department as a police officer. He was a member of numerous department task forces which concentrated on major fraud cases. In 1986, Mr. Ratley left the police department to join Wells & Associates, a forensic accounting practice, where he was in charge of fraud investigations. He handled investigations regarding internal frauds, conflicts of interest, and litigation support.

In 1988, he was named Program Director for the Association of Certified Fraud Examiners and oversaw all aspects of the ACFE's training and education programs. In 2005, Mr. Ratley was awarded the Association of Certified Fraud Examiners' Cresces Award. The Cressey Award is the ACFE's highest honor. It is bestowed annually for a lifetime of achievement in the detection and deterrence of fraud.

In 2006, Mr. Ratley was named President of the ACFE. In this role, he works to promote the ACFE to the public and other professional organizations and continues to assist in the development of anti-fraud products and services to meet the needs of ACFE's members. In addition, he is a member of the ACFE's faculty, and teaches regularly at workshops and conferences on a variety of fraud-related subjects.

IIA GLOBAL LEADERSHIP



DENNY K. BERAN
CHAIRMAN OF THE BOARD
THE INSTITUTE OF INTERNAL AUDITORS (IIA)

Presentation: *“Enhancing the Value of Internal Audit”*

Denny K. Beran, CIA, CCSA, CRMA, CPA, CFE, was elected to serve as the 2011-2012 IIA Chairman of the Board. Mr. Beran is the Senior Vice President and Director of Audit at J.C. Penney Company, Inc., headquartered in Dallas, Texas.

Mr. Beran has spent his 40-year career at J.C. Penney Company Inc., joining the company in 1971 directly after graduating Cum Laude from Point Park University in Pittsburgh, Pennsylvania, USA, with a BS degree in accounting. He spent the next four decades building a successful internal audit career by working his way up through the ranks of the internal audit division, holding positions at a variety of field locations and now in the home office of J.C. Penney Company Inc.

As the IIA's chief spokesperson and advocate for the internal audit profession worldwide, Mr. Beran chose “Assess Our Relevance,” as his 2011-2012 Chairman's theme. He believes that internal auditors must continue to become more relevant to both their stakeholders and their profession. As he speaks to The IIA's constituents and 170,000 members around the globe, he will encourage fellow practitioners to assess their own relevance and to strive to be an indispensable asset to their organizations.

WHITE-COLLAR CRIME 101 / FRAUD AWARE



PETER GOLDMANN
PRESIDENT
WHITE COLLAR CRIME 101

Presentation: *“How to Prevent, Detect and Report Fraud in Your Organization”*

Peter Goldman, CFE, is president of White-Collar Crime 101 LLC, the publisher of *White-Collar Crime Fighter*, a widely read monthly newsletter for internal auditors, controllers, corporate counsel, financial operations managers and fraud investigators. The newsletter is in its 14th year of publication.

Mr. Goldman has also developed FraudAware, a fraud awareness training program. A customized learning service, FraudAware uses workshop, webinar and e-learning formats to educate employees and managers at all levels in how to detect, prevent and report incidents of fraud or suspicious conduct.

Mr. Goldman frequently conducts fraud webinars and training events with AuditNet.org. Mr. Goldman has written five books on fraud detection and prevention. He holds a bachelor's degree in economics from the University of Michigan and a Master's in International Economics from the London School of Economics.

SECURITY & INVESTIGATIVE PLACEMENTS CONSULTANTS, LLC



KATHY LAVINDER
EXECUTIVE DIRECTOR
SECURITY & INVESTIGATIVE PLACEMENT CONSULTANTS, LLC

Presentation: “*Employment Trends and Opportunities in Fraud Investigation*”

Kathy Lavinder has more than ten years of search experience that has focused on placing high-level security managers and investigative specialists in corporations, financial institutions, NGOs, accounting firms, law firms and consulting firms.

Prior to turning to search, Ms. Lavinder was with Investigative Group International, where she served as Managing Director and head of the firm’s headquarters office in Washington, DC. and directed teams of investigators working on long-running, multifaceted engagements, including fraud and financial misconduct investigations, theft of intellectual property, anti-competitive practices and anti-trust litigation matters.

Prior to IGI, Ms. Lavinder was with ABC News in New York. Ms. Lavinder has a Bachelor of Arts degree in journalism from the University of South Carolina and a master’s degree from Georgetown University. Ms. Lavinder is a frequent speaker on security and investigative issues.

FAMED MADOFF WHISTLEBLOWER



HARRY MARKOPOLOS
MADOFF WHISTLEBLOWER

Presentation: *“Financial Regulations: Past, Present, and Future – How America Combats White Collar Crime”*

Harry Markopolos, CFE, CFA, is a self-employed Chartered Financial Analyst and Certified Fraud Examiner specializing in the investigation of False Claims Act and IRS Tax Fraud cases in the \$500 million and up category that involve CEO and CFO top management led fraud schemes.

Mr. Markopolos often works with whistleblowers under the direction of lawyers at law firms specializing in filing high-level, white-collar fraud cases where the US government is the victim. Mr. Markopolos is an expert in financial derivatives mathematics and prior to becoming a full-time fraud examiner, he was Chief Investment Officer for a Boston based, multi-billion dollar derivatives asset management firm.

Of note, he is also known as “the Madoff whistleblower” for his SEC Submissions in 2000, 2001, 2005, 2007, and 2008 regarding Bernard Madoff’s alleged \$50 billion Ponzi Scheme. In fact, he developed his interest in working with whistleblowers by first being one himself - on the Madoff case – and discovered just how lonely, awkward and dangerous whistleblowing can be. He decided to do something to make whistleblowing safer and more rewarding for those following in his footsteps.

FAMOUS FRAUDSTERS

TAKEN FROM THE CON ARTIST HALL OF INFAMY



Charles Ponzi
The First “Ponzi” Artist

THE CON: Charles Ponzi promised to double investors' money in three months with postal coupons, which he'd buy from a country with weak currency and redeem for twice as much in dollars. But there were no coupons – only the funds from new investors, which he used to pay off the earlier ones.

THE DAMAGE: \$8 million, or about \$100 million today

THE OUTCOME: Despite attempts to escape on a steamer ship and convince the president of the United States to extradite him to Italy, Ponzi served seven years in prison. His name became shorthand for the classic “robbing Peter to pay Paul” scheme

BERNARD
L.
MADOFF

Bernard “Bernie” L. Madoff
The Biggest “Ponzi” Artist

THE CON: With his stellar reputation and cozy relationship with regulators, Bernard Madoff had an excellent cover. He also had a steady stream of cash from hedge funds, individual investors and foundations eager to reap double-digit returns. Then the market crashed, exposing his \$65 billion Ponzi scheme.

THE DAMAGE: The \$65 billion scam bankrupted thousands of individual investors. Several charities folded and countless lives and fortunes were ruined.

THE OUTCOME: Six months after his arrest, Madoff - who pleaded guilty - received the maximum sentence of 150 years in prison. To date, \$1.25 billion has recovered from his assets and 8,800 individuals have filed claims for restitution.

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