

Austin Area Chapter Association of Certified Fraud Examiners

President's Corner

Tracy Bohmer, CFE, CPA

We've been having great turnouts for our luncheon meetings this fall. Hope you have been enjoying our topics. The Board is particularly looking for a speaker on the topic of Credit and the related Financial Crisis. If you know of a speaker that might be interested in presenting for us on this topic, please let any board member know.

In October, the Fraud Investigators Assoc of Texas held it's Annual Fraud Conference at the Doubletree Hotel In Austin. I attended the Conference this year. It was great with an excellent array speakers and topics. One of which will be speaking for us at our luncheon this month. Check out the upcoming speaker bio on page 3.

Our Fall Seminar is planned for Wednesday, December 10th with great topics planned for you. Be sure to check our website www.austinacfe.com for current info and upcoming events.



Chapter Meeting Schedule

Time: 12:00 to 12:50 p.m.
Lunch served promptly at 11:45 a.m.

Location: Nuevo Leon Restaurant
1501 East, 6th Street

Cost: Luncheon Only:
\$11.00 – Chapter Member
\$13.00 – Non-Chapter Member

This Month's Meeting

Date: November 3, 2008

Nancy Allen from
Adult Protective Services

Topic: Elderly fraud and Abuse Investigations

**register on line: www.austinacfe.com
or**

call 512-923-8656

INSIDE THIS ISSUE

- 2 What You Missed and Board & Committee Members
- 3 Speaker's Biography
- 4 The Spotlight's on You!

What You Missed

By Mike Garner, CFE, CIA

If you were not able to attend the October 6, 2008 chapter meeting, you missed a presentation on "Civil Fraud Against the Department of Defense" by Mr. Dan Hargrove an Attorney with Hargrove and Rea, P.C. in San Antonio, Texas. His presentation focused his presentation on the Federal False Claims Act and providing examples of fraud involving Department of Defense (DOD) contractors.

Mr. Hargrove started his presentation by discussing the Federal False Claims Act. The history of this act started in 1846 during the Mexican-American War when bribes were taken to provide contracts to provide hay to feed the horses. Although those that accepted the bribes were court-martialed, they were eventually acquitted of all charges.

The original act was passed by congress on March 2, 1863 and allowed citizens to sue on behalf of the government and be paid a percentage of the recovery. It was amended in 1943 to reduce the citizen's (whistleblower or relator) share of the recovered proceeds, but it also added barring these suits if the government already had information presented by the citizen. This provision in effect stopped all false claims suits between 1943 and when it was amended again in 1986 to eliminate this provision. The reward to the citizen usually ranges from 15% to 25% of the amount recovered by the government depending on the extent to which the citizen or the citizen's counsel contributed to the prosecution of the case.

After the 1986 amendments strengthened the Act it was used primarily against defense contractors but by the late 1990's the focus had shifted to health care fraud, which now accounts for the vast majority of cases filed. According to the Department of Justice, the federal government has identified over \$20 Billion since 1986 and expects this to double in five years.

In the Department of Defense (DOD) there continues to be a shift of outsources of responsibilities and jobs that were once performed by either the military or government employees.

continued on page 3

AUSTIN AREA CHAPTER OF
THE ASSOCIATION OF CERTIFIED FRAUD EXAMINERS
PO Box 13462, AUSTIN, TEXAS 78711

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What You Missed, continued from page 2

As this trend continues there has been a significant increase in government contractor fraud.

Mr. Hargrove provided examples of fraud in the areas of Tri-Care, the Defense Base Closure and Realignment Commission (BRAC) activities, etc. He also recommended that we go to fedspending.org to examine for ourselves information on contractors and grants.

Speaker's Biography

Nancy Allen is the Resource and External Relations Specialist for Adult Protective Services (APS) in Region 7. Nancy works with law enforcement, the courts, financial institutions, service providers and other state agencies providing education and information regarding the Adult Protective Services program. Additionally, Nancy is the APS Region 7 Domestic Violence Liaison. In 2006, Nancy earned her Texas Commission on Law Enforcement Officer Standards and Education Instructor Certificate.

Nancy began her career with the Texas Department of Family and Protective Services (TDFPS) as a Child Protective Services Investigator. Nancy's interest in elder abuse issues prompted her move to Adult Protective Services. As an Adult Protective Services caseworker, Nancy investigated adult abuse, neglect and exploitation.

In her role as the Resource and External Relations Specialist, Nancy represents Adult Protective Services on the Animal Hoarding Task Force of Austin, Fraud Reduction Committees in Austin and Temple, and local Community Resource Coordination Groups throughout Region 7. Nancy also coordinates the Travis County APS Special Task Unit.

The Spotlight's On You!

A special feature focusing on members of the Austin Area Chapter of ACFEs

Kacey Babineaux has been a member of
the ACFE

for the past 2 years.

But maybe you didn't know...



Job Description:

Investigator for Temple-Inland

What I'm working on now:

Continuous auditing of our scale transactions at Temple-Inland's mill locations.

Best part of my job:

Catching someone committing fraud.

Ambition and/or Goals:

To become a great investigator.

Years of state service:

n/a

My first job:

Retail in the mall

Hobbies:

Reading, working out, going out dancing with friends.

Favorite Movie:

The Godfather

Last books I read:

The Code Book by Simon Singh (currently reading)

Favorite foods:

Mexican, Japanese, Vietnamese

Favorite Restaurants:

Sushi Nichii, Pho Thai Son

My pet(s):

2 cats: Sebastian "Bass" and Nermal "Nermies"

It's a good day when:

I get evidence to prove that someone is committing fraud against my company.

Pet Peeves:

Being late

What I would do with a surprise afternoon off:

Head to the hiking trails

I'm most proud of:

Acquiring my CFE

Most people probably don't realize:

I have my Concealed Handgun License and I have 4 guns.