



LANSING CHAPTER OF THE ASSOCIATION OF CERTIFIED FRAUD EXAMINERS



In This Issue

**Fraud Talk Podcast:
How Fraud Week Transformed
Community Engagement**

Message from the Board

Upcoming Events

Appearances Can Be Deceiving

**2024 Compensation Guide for
Anti-Fraud Professionals: Key
Insights and Trends**

Recent Headlines



Fraud Talk Podcast

How Fraud Week Transformed Community Engagement for the Washington State Auditor’s Office - Brandi Pritchard - Fraud Talk - Episode 150

Join ACFE Public Relations Specialist Stefanie Hallgren in this episode of Fraud Talk, as she dives in with Brandi Pritchard, Assistant Director of Special Investigations at the Washington State Auditor's Office. With International Fraud Awareness Week on the horizon, Pritchard shares the story behind the Auditor's Office's dedication to fraud prevention and the unique challenges they face, especially within smaller government entities. From engaging tactics that bring fraud awareness to the community to the "trust but verify" approach that underscores their work, Pritchard reveals how Fraud Week creates a ripple effect inspiring both vigilance and accountability.

<https://acfe.podbean.com/e/how-fraud-week-transformed-community-engagement-for-the-washington-state-auditor-s-office-brandi-pritchard-fraud-talk-episode-150/>

Message from the Board:

The LACFE Fall Fraud Conference was a success! Thank to everyone who attended. In case you missed it, attendees enjoyed a full-day presentation by Stephen Kohn on the topic of “Rules for Whistleblowers”.

Stephen M. Kohn is one of the nation’s top attorneys, with 38 years of experience representing whistleblowers. He is a founder of the Kohn, Kohn & Colapinto law firm and helped found and serves as Chairman of the Board of the National Whistleblower Center. In addition to his experience representing whistleblowers in some of the largest cases, he has also worked with lawmakers and regulatory agencies to draft laws that protect whistleblowers and encourage reporting of fraud.

In other words, Mr. Kohn is an unparalleled expert on whistleblowing law and his presentation was a rare opportunity to hear an in-depth explanation of the history of whistleblowing, how whistleblowers and their attorneys are navigating current laws, and even how the landscape for whistleblower law is changing for the future both domestically and internationally. As Stephen told us, it was a condensed version of the course he teaches at his alma mater, Northeastern University School of Law.

We spent time learning about the formation of whistleblowing laws beginning in the late 1700s and how they evolved into the framework we have today. He gave colorful examples of how the laws were applied to protect and encourage whistleblowers to step forward and help to fight fraud. Stephen discussed the pitfalls facing whistleblowers due to complex requirements and the need to methodically follow the requirements when a person steps forward to expose wrongdoing. It is inspiring that despite the massive amount of anonymous whistleblowers, there has never once been a leak of their identity!

Stephen discussed the work of Professor Edwin Sutherland who found that white collar crime is the largest detriment to society and Professor Gary Becker who argued that crime can be a rational act. As Stephen concluded, if crime is a rational economic activity, then it follows that whistleblowing is a rational response. Whistleblowing is key to detection, deterrence and voluntary disclosure. One of the many supporting statistics he shared is the following: between 1987 and 2023, U.S. civil recovery from investigations initiated by the U.S. government is \$22.6 billion. During the same period, U.S. civil recovery from investigations originating from whistleblower knowledge is \$52.8 billion.

It seems the U.S. government is moving in the right direction. When discussing modern whistleblowing, Stephen applauded the [2021 US Strategy on Countering Corruption](#), which acknowledges the threat of corruption to society and states the need to protect whistleblowers.

In summary, I found the presentation to be engaging throughout. Audience questions were not only encouraged, but Stephen continued to refer back to the initial questions throughout his presentation to add further clarification. It was informative and entertaining due to Stephen’s colorful anecdotes from his law practice. Conference attendees received Stephen’s latest book, *Rules for Whistleblowers: A Handbook for Doing What’s Right*. I haven’t started reading it yet, but know it will be an engaging read!

UPCOMING EVENTS

LOCAL:

SEMCACFE Monthly Chapter Dinner Meeting – Joint Meeting with the IIA Detroit Chapter and SEMCACFE

November 7, 2024
4:00 – 7:00 pm

Learn more: <https://semcacfe.org/meetinginfo.php?id=103&ts=1729279896>



MICPA

Celebrate
November 13, 2024
5:00 pm - 8:00 pm
Gem Theatre Detroit, MI

Learn more: <https://www.micpa.org/cpe/store/course-detail?ProductId=160173&return=1~1>

Lansing AGA

Ethics: Doing the Right Thing to Restore Public Trust
November 13, 2024
2:00 - 4:00 pm

Learn more: <https://lansing-aga.org/EventCalendar/EventDetails.aspx?ItemID=164&mid=24&pageid=22>

ACFE Southwest Ohio Chapter 6th Annual Dayton Fraud, Cyber & Ethics Conference

In-Person/Virtual
November 20 - 21, 2024

Learn more: <https://swohacfe.org/event-5826023> and see poster below!

NATIONAL:

ACFE Detecting Fraud in Mergers and Acquisitions

Virtual Seminar
December 3 - 5, 2024 (early registration ends November 4th)
Learn more: [Event Details](#)

ACFE Investigating Conflicts of Interest

Virtual Seminar
December 17, 2024 (early registration ends November 18th)
Learn more: [Event Details](#)

ACFE Public Sector Procurement: Analytics to Reduce Vendor Risk and Wasted Tax Dollars

On-Demand Webinar
FREE to ACFE Members in good standing!
Learn more: [Product Detail Page](#)

Help me create your newsletter! If you have an event that you would like posted or if you wish to share an article, please contact Jennifer Ostwald at jenny1661@hotmail.com



6TH ANNUAL DAYTON

FRAUD, CYBER & ETHICS CONFERENCE

NOVEMBER
20 & 21
2024

- VIRTUAL EVENT -



12:00PM-4:30PM EASTERN

8 total hours of CPE* (4 each day)
(including 1.5 hours of pre-approved ACFE Ethics/Ohio PSR Ethics credit)

Pricing: EARLY BIRD (By October 31, 2024)
\$75 one day | \$100 both days

Regular Price
\$100 one day | \$125 both days

NOV.
20TH

REGISTER AT:
swohacfe.org



NOV.
21ST

BETH A. MOHR
CFE, CAMS, FSA, CFCS, CCCI, PI
Managing Partner, The McHard Firm



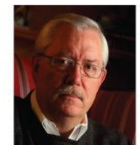
The Cognitive Bias Blind Spot: Fraud Examination and False Confessions
Cognitive biases are the unconscious and unintentional errors in judgment that occur on the part of all humans every day – including fraud investigators. Cognitive biases lead to wrongful terminations, wrongful convictions, and even false confessions. This session will discuss cognitive biases and introduce simple strategies to combat and mitigate the effects of bias on fraud examinations.

MARIE RICE Ph.D., CFE, CIA
Associate Professor of Accounting, Siena College
ACFE 2024 Educator of the Year



Related Parties and Self-Dealing: The People Behind the FTX Collapse
FTX, the most recent cryptocurrency exchange to meet its demise, began in 2018 by Sam Bankman-Fried. FTX was promoted and backed by venture capitalists and celebrities like Kevin O’Leary (Mr. Wonderful on Shark Tank) and Steph Curry, but under the facade, the company’s image was not as glamorous. This session will examine the individuals associated with FTX and the collapse of the company, providing lessons applicable to Certified Fraud Examiners.

JAMES H. WANSERSKI MBA
Founder, Wanserski & Associates



Practice Makes Perfect: 15 Fraud, Corruption, and “Illegal Bad Behavior” Experiences
Mr. Wanserski has “sat in all of the chairs” at large public and private companies in a variety of industries. His roles have included those in finance, operations, and information technology along with consulting, turnaround, and executive positions. He also was the whistleblower, investigator, “cleaner,” documenter, and/or testimony provider in 15 different fraud and corruption incidents. Attendees will receive a myriad of lessons from his engaging presentation.

This session will provide 1.5 hours of pre-approved ACFE Ethics/Ohio PSR Ethics credit.

KEVEN HENDRICKS
Founder, Ubivis Project



Investigating Fraud on the Deep & Dark Web
For many, the dark web harbors a stigma. The belief that it is an untraceable, enigmatic criminal underworld run by sophisticated actors is simply not true. This session will cover the lucrative deep and dark web fraud marketplaces, investigative methods to uncover threat actors, and best practices to help reduce exposure for fraud.

KEITH FABER
Ohio Auditor of State



Conference Keynote
In this keynote presentation, Auditor Faber will discuss current fraud trends in Ohio, as well as investigative measures and strategies that are being employed by his office aimed at combating fraud and enhancing financial accountability.

DANIELLE MURPHY
Consumer Educator/Consumer Protection Section of the Office of Ohio Attorney General Dave Yost



Senior Scams
Senior citizens are particularly vulnerable to fraud and scams; however, many incidents go unreported. Learn about the latest scams targeting our senior population, and find out how to protect yourself and your loved ones.

This event is not sponsored by the Ohio Attorney General’s Office. The Ohio Attorney General’s office does not specifically endorse or recommend the Southwest Ohio ACFE Chapter or any products or services affiliated with the Southwest Ohio ACFE Chapter. Neither the Ohio Attorney General’s Office nor any representative of the office is being paid a fee for presenting this session.

CHERYL B. HYDER
MT, CPA, CFF, ABV, CFE, CVA
Principal, Hyder Consulting Group



Expert Testimony: Begin with the End in Mind
Each step in the life cycle of an investigation has a role in trial preparation. This session will walk through a typical assignment, from the initial meeting through data collection and evidence management, to report writing and preparing for trial and, finally, testifying. This session’s discussion of best practices and approaches to investigative processes will provide information useful to attendees who conduct investigative work, whether or not that work ultimately culminates in expert reports or testimony.

Co-sponsors:



University of Dayton
Center for Cybersecurity
& Data Intelligence

*CPE credits are based on a 50-minute hour. CPE is offered through the ACFE as well as the Accountancy Board of Ohio (sponsor number CPE.00467).



November 17–23, 2024

November 17-23, 2024

Join the global effort to minimize the impact of fraud by promoting anti-fraud awareness and education

Find details and shareable information at <https://www.fraudweek.com/>

What You Can Do

Fraud Week is the perfect time to go a step further in your role as an anti-fraud professional and to start discussions amongst peers, coworkers, executives and stakeholders in your community about how important fraud prevention is to society as a whole. You can use any of the free resources provided, or get creative and put your own twist on some of the ideas presented below.

Ways to Get Involved

- Post on social media using informative images with the tag [#fraudweek](#)
- [Invite a CFE](#) to talk to your employees and coworkers virtually on how to avoid common mistakes when preventing fraud.
- Download the [free Fraud Week logo](#) to share on materials or websites.
- Involve your local chamber of commerce or city council to [spread tips on fraud prevention](#) for small businesses.
- Encourage your governor to [issue a proclamation](#) declaring that your state supports Fraud Week.
- Issue a press release showing your organization's support by using this [customizable press release template](#).
- Host a talk or seminar for your coworkers or community on regularly staying aware of fraud prevention best practices. You can [post that event](#) to share what you are doing on our events page.
- Perform a [fraud check-up](#) for your organization and present your findings to executives, as well as a proactive plan for how to remedy weak spots in your current controls.

Appearances Can Be Deceiving

October 29, 2024

by Larry Benson

<https://fraudoftheday.com/appearances-can-be-deceiving-2/>

Mohamad Mokbel led a company called 4M Pharmaceuticals which actually operated fourteen pharmacies with straw owners. A straw owner is a person who owns a business or part of a business but does so on behalf of another, usually to hide the true owner's real identity. Appearances can be deceiving. A pharmaceutical store front owned by a straw owner is a perfect set up for fraudulent endeavors. Which apparently Mokbel had! On October 17, 2024, Mokbel was found guilty of a \$160 million Medicare scheme that targeted elderly diabetic patients who are dependent on diabetic testing supplies to manage their blood sugar levels.

Mokbel started his scheme by first illegally purchasing private information on thousands of Medicare beneficiaries, including their identification number, personal health and physician information. He then directed his 4M employees to run insurance claims using the Medicare beneficiaries' patient data to determine if Medicare or other insurance plans would cover the claims. Mokbel would then bill fraudulent claims at high rate for the topical creams, Omega-3 pills and other medications that he intended to sell through 4M pharmacies. 4M employees would fax pre-filled prescription requests to the patients' doctors appearing to be for diabetic testing supplies. Appearances can be deceiving! Mokbel would add topical creams expenses that he could supply at the bottom of the invoice anticipating that the doctor would overlook the unnecessary medication. To ensure that he would be able to ship the products, Mokbel would also include false representations that the patient was requesting a 4M Pharmacy fill their medications prescriptions.

Outstanding job by all the departments that helped in this case including the FBI, IRS Criminal Investigation, Homeland Security Investigations, Department of Health and Human Services, and the Food and Drug Administration. Large schemes like Mokbel's, take a lot of resources away from the government helping U.S. citizens in need.

Today's Fraud of The Day is based on article "Houston pharmacy owner found guilty in \$160 million Medicare fraud" published by Click2Houston News on October 17, 2024

Justice has been served for a Houston pharmacy owner who was found guilty of Medicare fraud that resulted in hundreds of millions of dollars. According to the U.S. Dept. of Justice Southern District of Texas, Mohamad Mokbel, 59, was the owner of a company called 4M Pharmaceuticals, which from 2014 through 2021, operated 14 pharmacies with what prosecutors described as "straw owners."

The pharmaceutical company essentially functioned as an outbound telemarketing call center that solicited Medicare, Medicaid, and commercial insurance patients nationwide – many over the age of 55.

2024 Compensation Guide for Anti-Fraud Professionals: Key Insights and Trends

September 2024

<https://www.acfe.com/acfe-insights-blog/blog-detail?s=2024-Compensation-Guide-for-Anti-Fraud-Professionals-key-insights-blog>

The ACFE's Compensation Guide has long been a critical resource for fraud examiners, providing valuable insights and trends into salaries, benefits and professional growth opportunities in the anti-fraud industry. The 2024 Compensation Guide for Anti-Fraud Professionals comes with several new findings and analysis, reflecting the evolving landscape of the anti-fraud profession.

What's New This Year

- **Updated Salary Ranges:** The 2024 *Compensation Guide* includes updated salary ranges for fraud examiners across different regions, job roles and experience levels.
- **Expanded Industry Breakdown:** This edition provides a granular breakdown of compensation by industry, allowing fraud examiners to benchmark their salaries more accurately against peers in similar sectors, such as health care, finance, government and energy.
- **Emerging Job Roles and Specializations:** As fraud schemes become more complex, the demand for specialized roles such as data analytics, cyberfraud prevention and forensic accounting has grown. The guide highlights these emerging roles and their corresponding compensation trends.

Analyzing Trends and What They Mean for You

Understanding the trends and data presented in the 2024 *Compensation Guide* can help fraud examiners make informed career decisions. Some key trends include:

- **Certification and Education Premiums:** Holding certifications such as the Certified Fraud Examiner (CFE) credential continues to provide a competitive edge in compensation. The guide indicates that CFEs earn, on average, 32% more than their non-certified counterparts. Additionally, advanced degrees and continuous education can further enhance earning potential.
- **Impact of Experience:** As expected, experience plays a substantial role in compensation. The 2024 guide provides detailed insights into how salaries increase with years of experience.
- **Gender Pay Gap:** This year's guide shows the median compensation for female anti-fraud professionals surveyed was \$102,000, compared to \$108,000 for males with women making up 41.6% of survey responses.

Navigating Your Career Path

The 2024 *Compensation Guide* is not just a tool for understanding salary trends; it is also a resource for career planning. Here are a few ways to leverage the guide:

- **Benchmark Your Salary:** Use the guide to compare your current salary against industry standards. This can be valuable when negotiating raises or considering a job change.
- **Identify Growth Opportunities:** Look at emerging roles and in-demand skills that can help you stay competitive in the anti-fraud industry. Consider obtaining additional certifications or specializing in areas like data analytics or cyberfraud.
- **Understand the Value of Your Credentials:** If you are already certified or have advanced education, the guide can help you understand the financial benefits of these credentials and strategize how to leverage them for further career advancement.
- **Calculate Total Compensation:** The Salary Calculator tool was developed to help you predict total compensation and total compensation ranges for anti-fraud professionals. Use various factors such as job function, industry and level of responsibility to create your tailored report.

Download the [2024 Compensation Guide for Anti-Fraud Professionals](#) today to gain a deeper understanding of salary trends, industry benchmarks and career opportunities in fraud examination. Equip yourself with the knowledge you need to take your career to the next level.

Video of the Month

[What is Fraud Week? - YouTube](#)

Every November, hundreds of organizations around the world pledge to increase fraud awareness in their workplaces and communities. Learn more about the ACFE's annual International Fraud Awareness Week in this short video.



Recent Headlines

August 28, 2024 [Western District of Michigan | Country Club To Pay Over \\$440,000 To Resolve Allegations It Received Paycheck Protection Program Loan As An Ineligible Nonprofit Organization | United States Department of Justice](#)

August 29, 2024 [Under industry pressure, IRS division blocked agents from using new law to stop wealthy tax dodgers - ICIJ](#)

September 25, 2024 [Eastern District of Michigan | Ra Medical Systems, Inc. & Physicians Pay Over \\$8 Million to Resolve False Claims Act Allegations of Illegal Kickbacks | United States Department of Justice](#)

September 25, 2024 [Australia court fines Vanguard unit \\$9 mln over ethical investment claims | Reuters](#)

September 26, 2024 [Ex-Detroit Riverfront Conservancy CFO arraigned in federal court \(freep.com\)](#)

October 2, 2024 [Starling Bank fined 29 mln pounds for "shockingly lax" financial crime controls | Reuters](#)

October 2, 2024 [After a Deloitte client's \\$2.4B tax dodge faltered, the accounting giant won't say if it helped others exploit the same loophole - ICIJ](#)

October 7, 2024 [Former Michigan steelworkers union president pleads guilty to stealing \\$58K from union - CBS Detroit \(cbsnews.com\)](#)

October 8, 2024 [California lawyer ordered to pay \\$14 million over crypto Ponzi scheme | Reuters](#)

October 10, 2024 [Michigan Supreme Court hears arguments for allowing investigation into insulin price gouging \(msn.com\)](#)

October 10, 2024 [TD Bank to pay \\$3 billion, face asset cap to resolve US money-laundering probe | Reuters](#)

October 10, 2024 [Before Milton, Florida issued rule to deter post-storm fraud by insurers - The Washington Post](#)

October 11, 2024 [Self-proclaimed Michigan mushroom shaman charged in \\$8 million fraud - mlive.com](#)

October 17, 2024 [AI helped Uncle Sam catch \\$1 billion of fraud in one year. And it's just getting started | CNN Business](#)

October 17, 2024 [Payroll Protection Plan fraud revealed through a chorus of whistleblowers \(federalnewsnetwork.com\)](#)

October 17, 2024 [Defense contractor RTX agrees to pay more than \\$950 million to resolve bribery, fraud claims \(msn.com\)](#)

October 17, 2024 [Eastern District of Michigan | Former FBI Agent Indicted in Foreign Currency Trading Scam | United States Department of Justice](#)

October 18, 2024 [Veterans Dept. Investigating Acadia Healthcare for Insurance Fraud - The New York Times \(nytimes.com\)](#)

October 18, 2024 [59-2024 14 Men Indicted 1300 Crew Takedown, 8 Reputed Gang Members Indicted for Massive Fraud Scheme \(nyc.gov\)](#)

October 18, 2024 [Former AZ Department of Health employee charged in Medicaid fraud indictment \(yahoo.com\)](#)

October 18, 2024 [Onetime art adviser to actor Leonardo DiCaprio, among others, pleads guilty in \\$6.5 million fraud \(msn.com\)](#)

October 18, 2024 [FTC Issues Annual Report to Congress on Agency's Actions to Protect Older Adults | Federal Trade Commission](#)

October 19, 2024 [Police bust wine fraud ring in Italy that sold counterfeit bottles for \\$16,000 each \(msn.com\)](#)

October 29, 2024 [Peru's former president sentenced to more than 20 years in prison in corruption case linked to Odebrecht scandal - ICIJ](#)

October 23, 2024 [Michigan Doctor Fails in Bid to Undo Fraud, Drug Convictions](#)

October 24, 2024 [Detroit-area man charged with embezzling over \\$350K from wine shop - CBS Detroit](#)

October 25, 2024 [Dearborn Heights Pharmacist Sentenced to Two Years for \\$6.9 Million](#)

October 29, 2024 [Yellen says tailoring bank rules helpful, but strong capital requirements needed](#)

October 29, 2024 [JPMorgan Chase customers who committed a viral check fraud scheme may soon have to pay up](#)

October 31, 2024 [How 4 Michigan First Credit Union customers lost thousands to fraud](#)

Quote of the Month

“Corruption is a cancer within the body of societies—a disease that eats at public trust and the ability of governments to deliver for their citizens. The deleterious effects of corruption impact nearly all aspects of society. It exacerbates social, political, and economic inequality and polarization; impedes the ability of states to respond to public health crises or to deliver quality education; degrades the business environment and economic opportunity; drives conflict; and undermines faith in government. Those that abuse positions of power for private gain steal not just material wealth, but human dignity and welfare.”