


Special Edition: President's Annual Report

South African Chapter



a passport to the global forensic profession

Special Edition: Chapter President's report

Preface

It is with pleasure, and I must admit some pride, that I present this special edition of the Chapter President's annual report.

At this time of year, the Chapter is usually involved in endings and new beginnings as financial years close, Board members step down and new members take up the reins.

I was especially privileged to be part of the Chapter's leadership this year, I had a front row seat watching the South African local Chapter come of age.

This special edition of my annual report, as President of the Chapter, is to mark the beginning of a new phase in the Chapter's existence. The last few years were about establishing the Chapter and creating a firm foundation in South Africa. The future years are about building on past initiatives, maintaining the momentum and leading from the front.

With over 2000 members currently, the Chapter has a growing membership and represents a significant portion of the forensic profession. There is increasing support for the Chapter; our annual conference this year attracted more than 500 delegates and 20 exhibitors.

The Fraud Examiner certification has also found recognition in the local market; now part of the National Qualifications Framework and used increasingly as a benchmark in the private and public sector.

I think it is fair to say that the local Chapter has arrived, and is ready to take off to the next level.

Even though the Chapter is entering this new phase on a firm footing, it will face a challenging environment.

Economic crime is expected to continue to have a foothold in our society, with fraud and white collar crime becoming increasingly complex and wide-spread. Regulation will no doubt continue to be an automatic response.

Whilst the fight against fraud and corruption has been hampered by a lack of resources, leaders in the forensic profession believe the success of our efforts requires co-operation, sharing and training of professionals as well as strategic partnerships with government.

Escalating calls to deal with fraud and corruption in our country and the government's voiced resolve to do so, suggest the moment is ripe for forensic professionals to form the united front needed to rise to the occasion. Division in our profession is not an option.

We have played a significant role in helping to create more capacity to combat white-collar crime; 2009/2010 saw a significant increase in the Chapter's training resources on offer. A special word of thanks to our Regional Committee members who make an invaluable contribution to facilitating training and networking in the regions. The Chapter has also continued to build relationships with Government.

A comprehensive picture of the Chapter's performance and activities of 2009/2010 (and before) is presented in this report.

I encourage members and stakeholders to celebrate the Chapter's reported successes; your on-going support and contribution is the cornerstone of this success. It is important to thank the founding members of this Chapter for their role in getting us to this point. My sincere thanks go to the Board of Directors for driving this Chapter forward.

Finally, thank you to Jaco De Jager and Susan Swart for living the ACFE, and for the support of Lilanie Du Plessis.

It has been an honour for me to serve this Chapter and you, who as members are at its heart. I am sure that the year ahead will hold more success for the Chapter. In closing, I wish to emphasise the importance of collaborative efforts in our industry and request that members, practitioners, academics and the Chapter continually seek new opportunities to drive this. ACFE

Clayton Thomopoulos

Clayton Thomopoulos CFE
President: SA Chapter
13 September 2010 - Cape Town

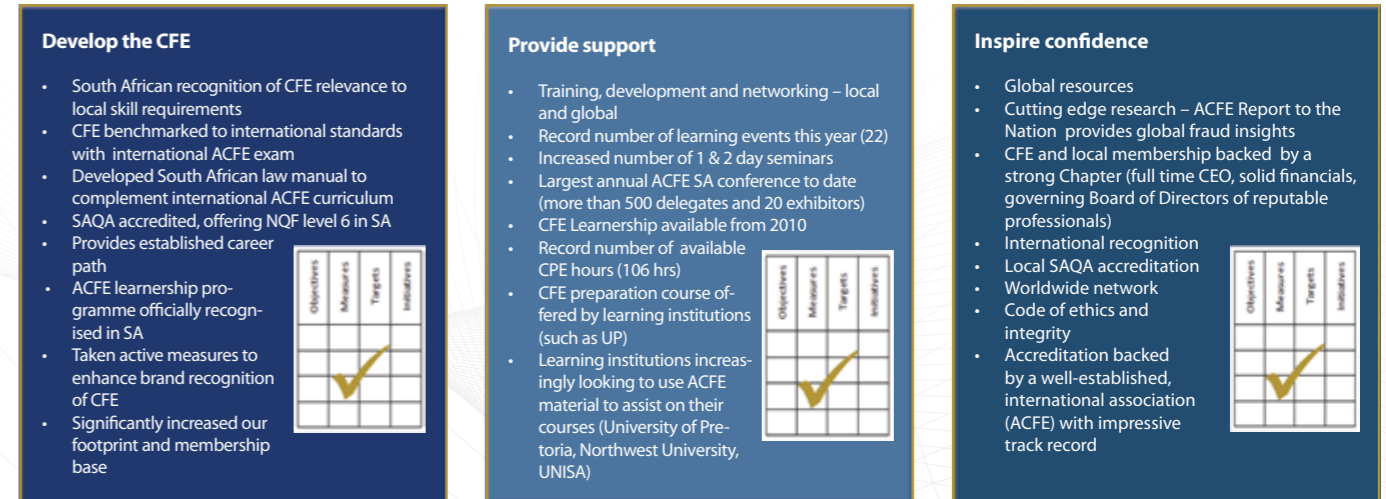
The SA Chapter has a **strong local strategy**



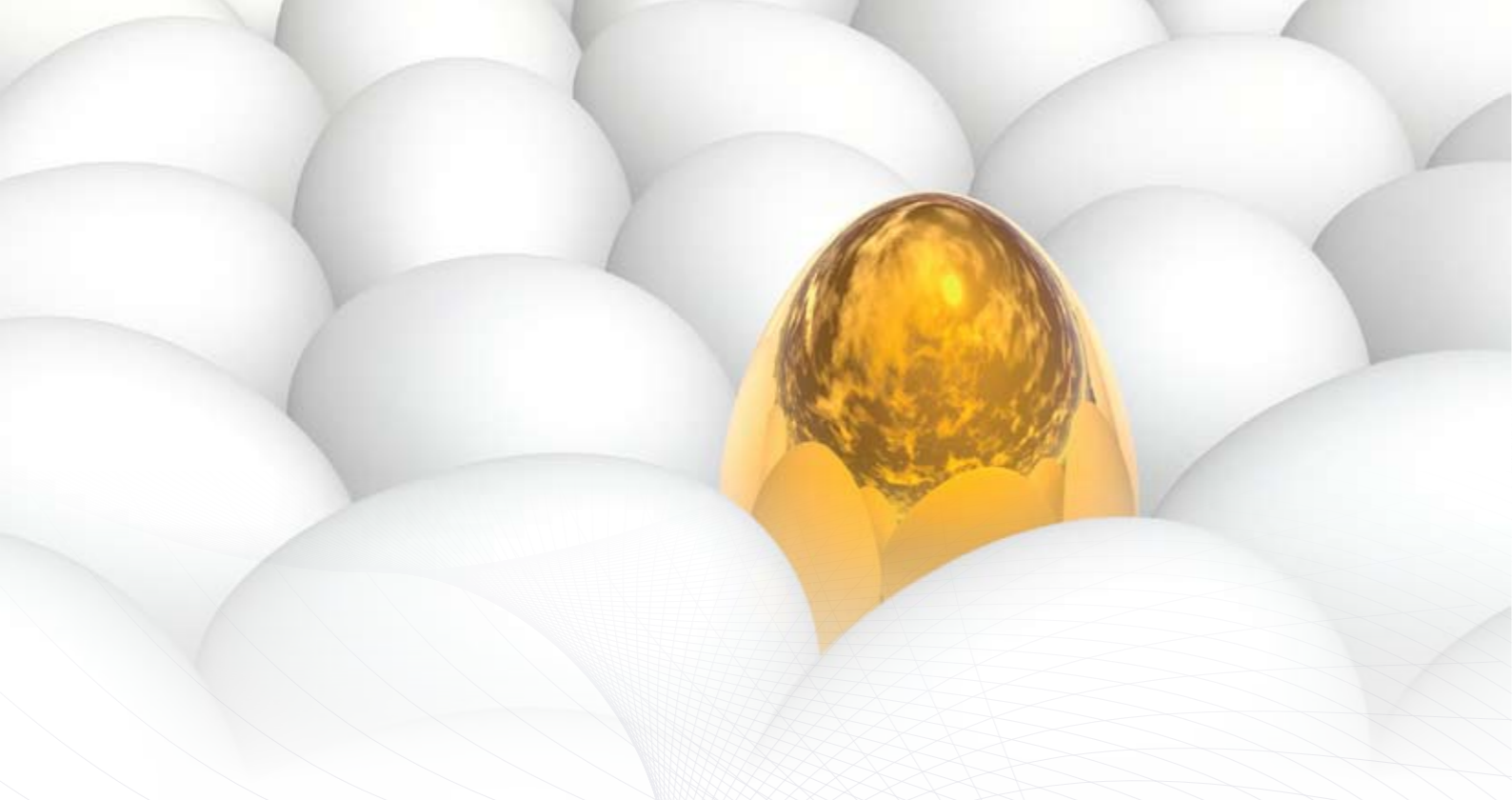
“Our membership of the ACFE SA has become an integral component for me in order to fulfil our mandate...companies are provided with the comfort that they are investing in individuals with high ethical standards and the necessary skills”.

Marius Smit- Head of Group Forensic Services at Discovery Holdings

Chapter performance **ticks the right boxes**



ACFE SA - moving forward on a firm footing



“Now that the qualification is South African based and accepted, the CFE is more relevant and sought after in the commercial forensic field than ever before.”

Douw Lotter, Head: Forensic Examinations and Anti-Money Laundering Compliance Momentum Group Ltd

CFE respected locally and internationally

The ACFE raises the bar

From 2008, all Certified Fraud Examiner (CFE) candidates had to write the qualifying exam in addition to meeting the rigorous academic and experience requirements. Membership of the international association, the ACFE, is a prerequisite for a CFE. The CFE requirements testify to knowledge, skill, experience and attitude – qualified, experienced and skilled, ethical and committed.

SA Chapter supports local professionals to become CFEs

We strongly encourage all members (and professionals) to start the process of obtaining CFE accreditation; it is a real investment in your professional profile and continuing professional education.

Globally, professionals are electing to benchmark themselves as CFEs. In the region of 95 members from the local Chapter registered to

write the CFE exam this year. The Chapter also negotiated a discounted rate for CFEs who obtained their designation through waiver; these members can now write the exam for a nominal registration fee. We hope these members will use the support offered by the local Chapter to help them obtain the accreditation.

A CFE Learnership was registered in 2010 with the relevant SETA providing further support to aspiring certified fraud examiners. Next in the pipeline are mentorship programmes.

Your professional value proposition: ACFE – one standard for all

The 2010 ACFE Global Fraud Study shows fraud and economic crime to be a global phenomenon with consistent and recognisable patterns worldwide. Demand for fraud professionals continues to grow, driven by increasing levels of economic crime and talk of political zero tolerance.

CFEs stand out from the crowd

It's been nearly 3 years since the bar was raised for the ACFE professional certification

The standard for CFEs is high.

Your eligibility is based upon a point system, which awards credits for education and experience.

This could translate into, for example:

- a degree with 2 years experience or
- no degree and 10 years experience or
- a certificate at a reputable institution and 8 years experience

Go to the ACFE website for detailed CFE admission requirements

“... the leading anti-fraud forum in South Africa, by setting high standards for anti-fraud practices and education.” Oliver Josie, Director: Group Forensic Services, Standard Bank

A core objective for the local Chapter (and the ACFE) is to provide the worldwide market with credible and competent anti-fraud professionals. The key to the ACFE's value is a single benchmark for all, a common pool of knowledge, a common set of principles and a united body.

CFEs can work globally and locally

The CFE accreditation is recognised and accepted around the globe, with demand driving the creation of local chapters— currently 138 Chapters operate worldwide. Since 2008, ACFE members have been able to write a CFE exam based on an international curriculum, which prepares professionals to work globally.

Professionals today adapt acquired skills to new working environments

An international curriculum is only possible because fraud professionals worldwide have largely common core knowledge, skills and

experience requirements. Local Chapters, including ours, exist in part to help members adapt their international qualification to the local market.

The CFE qualification is now fully recognised in South Africa

The local Chapter registered the CFE (international) exam as a NQF6 qualification with the South African Qualifications Authority (SAQA). This ensures an international minimum standard for forensic professionals in South Africa, while retaining local relevance.

We also obtained permission for South African universities and other organisations to present specific CFE preparation courses if they comply with minimum criteria. The University of Pretoria is already presenting such a course.

The local chapter developed a South African law manual to help CFEs obtain country-specific knowledge.

This local recognition shows the relevance of the international curriculum to any market

“The University of Pretoria adopted and built on the four pillars of ACFE training.” Danie du Plessis, Director: Unit for Forensic Accounting University of Pretoria



“The CFE exam is a formal academic framework, to which we encourage all our forensic specialists to aspire in the pursuit of a holistic forensic career.”

Sharon van Rooyen, Director: Fraud Investigation and Dispute Services Ernst & Young




Law component tailored to the South African environment

In September 2009, as the culmination of a project begun in 2006, the local Chapter released a South African law manual which is complementary to the ACFE international curriculum.

This law component (and manual) is not part of the CFE international exam, but forms part of the local Chapter's continuing professional education initiative. The local Chapter has applied for this law curriculum to be accredited by SAQA. We have already received a very positive response from members, with over 100 manuals being sold over the last 11 months.

Initial steps towards self-regulation

Over the last 3 years there has been a push for the forensic profession to self-regulate. In May 2010, the forensic industry voted to create an independent regulatory body known as the Institute of Commercial Forensic Practitioners (ICFP) to cohere, co-ordinate and self-regulate the profession.

As the representative of a significant portion of qualified forensic professionals in South Africa, the local Chapter will interact with the ICFP to ensure that such self regulation is appropriate and fair and that the CFE qualification retains the recognition it justly deserves. 

The law manual was authored by Adv Henning, ably assisted by a number of leading professionals in the areas of law and forensic investigation.

The South African Law Manual is available in electronic copy / CD at a cost of R250 plus postage. Contact susan@acfesa.co.za or www.acfesa.co.za

ACFE SA – local and international education and training

Training and education lies at the heart of the local Chapter's operations (and those of the ACFE). The ACFE anti-fraud philosophy rests on the belief that a competent fraud professional is the weapon of choice to reduce white-collar crime.



The CFE accreditation is built on four pillars – criminology and anti-fraud programmes, financial fraud schemes, investigation and law.

The Chapter offers a record amount of training to fulfil CPE requirements

This year has been exceptional with regard to both the number of learning events and the quality of topics, material and presenters.

22 learning events were given to members across the country in 2009/2010, a combination of 2 hour workshops, 1 and 2 day seminars, and a 3 day conference.

The Chapter's training programme increased this year's available CPE points to 106. Local Chapter training is approved for CPE points by the international organisation (ACFE), thereby ensuring that local training/education remains benchmarked to international standards.

Local Chapter offers world class education and training

In response to members' requests for longer training sessions focused on practical skills, this year saw the highest number of seminars held across the regions. By adding 5 seminars (East London, Bloemfontein, Polokwane, Pretoria and Cape Town), we were able to respond to the needs of the members and at the same time make it easier for CFEs to earn the requisite CPE points.

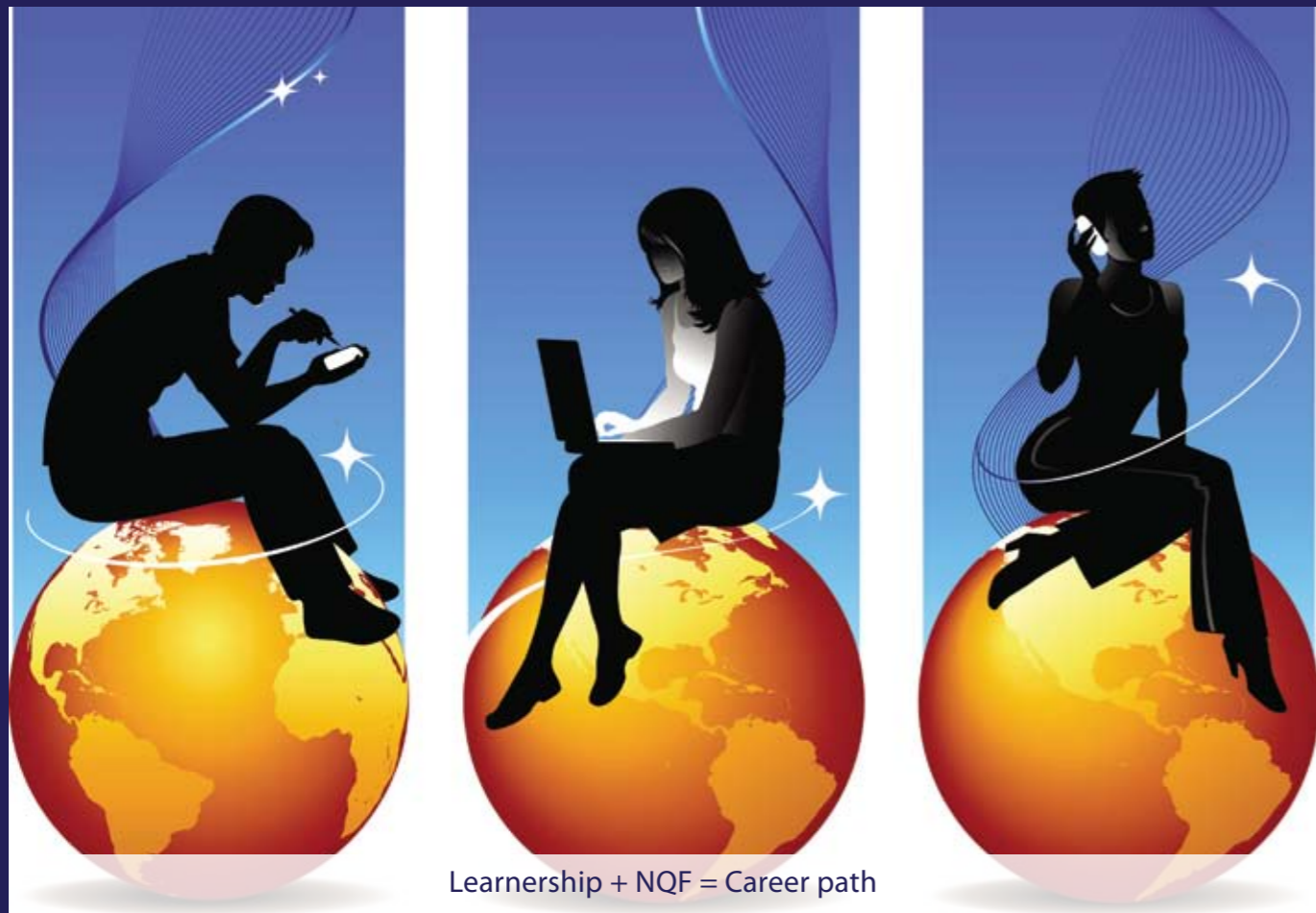
Successful annual conferences

The Annual Conference this year is the largest in our history, with over 500 delegates attending and 20 exhibitors. The support of the conference is a clear recognition of the premier ACFE training brand, and it evidences the Chapter's growth in stature and popularity.

ACFE strategy: Preventing, detecting and deterring white collar crime by educating fraud professionals

CFEs and members of the international association are entitled to access the international body's learning resources in addition to those of all the local Chapters

SA Chapter encourages learning by offering competitive prices for training events



Learnership + NQF = Career path

SA Chapter registers a CFE Learnership – a first in our profession

Another significant achievement for the local Chapter this year was the registration of a CFE Learnership programme with FASSET (SETA for Finance, Accounting, Management Consulting and other Financial Services).

The registered Learnership programme introduces a new dimension to the local forensic profession - the concept of an apprenticeship culminating in a nationally accredited qualification.

The local Chapter will work closely with the employer, the employee and the training provider to assist with Learnerships. The Chapter has also applied to be registered as a Quality Assurance Provider to help ensure high quality forensic training in South Africa. **ACFE**

Information on the Learnership will be on our website shortly www.acfesa.co.za
Learnership: 01 Q010035001206 Advanced Certificate – Fraud Examination

“All of the top achievers I know are life-long learners. Looking for new skills, insights, and ideas. If they’re not learning, they’re not growing... not moving toward excellence.” Denis Waitley

Employee benefits of Learnership

- Nationally accredited qualification on which further local studies can build
- Improved performance at work
- Fixed term contract guaranteed for duration of learnership
- Access to the forensic sector or profession where experience is usually a pre-requisite
- International accreditation is a passport to the global forensic market

Employer benefits of Learnership

- Develop scarce forensic skills internally
- Improved standards and efficiency in the work place as professionals up-skill via the learnership
- Potential returns from the Skills Levy

“The ACFE is the unrivalled international fraud management professional body... providing the leading forum and serving as a critical vehicle for ... formalisation of the forensic services profession.”

Peter Goss, Head of Forensics, Director/Partner at PricewaterhouseCoopers

The ACFE SA receives a list of incorrectly registered deceased individuals from government departments. We share this type of information with our members to assist with investigations.

Local CFEs and members contribute to the annual global fraud survey conducted by the ACFE. This survey is available on our website (www.acfesa.co.za)



Principles to improve the quality of investigations in South Africa

Leaders in the profession agreed at the annual ACFE SA's IMBIZO that these principles include:

- co-operation
- sharing best practices and statistics in a spirit of non-competitiveness
- training forensic professionals, especially in areas of access to information, right to privacy and competition.

By offering multiple opportunities for networking, ACFE SA members can share insights and ideas with fellow anti-fraud professionals, anywhere in the world, in an instant. These opportunities include seminars, conferences, online discussion forums, local Chapter events, e-newsletters and more.

SA Chapter & ACFE – gateway to a global network

Putting professionals in touch with peers and colleagues, both locally and globally

The strength of the ACFE brand has resulted in a growing global membership. As fraud examiners, members come from diverse backgrounds. This diversity of membership and critical mass (over 50 000 members worldwide) together with the support of local Chapters means the ACFE is networked to respond to the needs of anti-fraud professionals everywhere.

Membership of a local Chapter and the international association (ACFE) provides a gateway to this global network.

Imbizo to share local perspectives

ACFE SA hosts an annual Imbizo. Heads of Forensics are invited to participate in an interactive process aimed at improving our industry through agreed resolutions and action points.

The focus of the Imbizo remains unchanged: *Fighting white collar crime and identifying solutions and synergies that would assist in achieving this objective.*

Our third annual Heads of Forensics (white-collar crime) Imbizo hosted in Johannesburg was attended by 105 Heads of Forensic and Academics from various public and private sectors.

These representatives affirmed the need for forensic professionals to participate in a positive drive towards more effective investigation, and they resolved to achieve this by promoting 7 principles in their sphere of influence.

Forensic professionals also used this opportunity to commit to helping government in its fight against fraud and corruption.

The local Chapter is keen to continue building strategic relationships with relevant government entities which could be mutually beneficial.

We believe that the local Chapter has made significant progress in developing the relationship between the profession and government, and will continue to consider this of strategic importance to the profession and the country.

Chapter facilitates regular dialogue with key role players in SA

The management (and Board) meet regularly with government bodies involved in fighting white collar-crime. The past year saw the Chapter meeting several times with the Hawks, Department of Home Affairs and Criminal Record Centre. The dialogue and engagement allows the Chapter to keep abreast of local trends, support the government sector, apprise Chapter members on relevant issues and provide them with relevant information. We look forward to strengthening these relationships in the future.

“The ACFE creates an opportunity for like-minded and focused forensic professionals to grow a global footprint.”

Graham Dawes: Director: Risk Advisory Deloitte

Invitation

We invite you to make full use of the benefits provided to you by the local Chapter. We encourage members to participate in the ACFE SA activities, explore the new website of the local Chapter (www.acfesa.co.za), and use the international resources of the ACFE (www.acfe.com)
stay connected

“This environment is always throwing up new challenges ... to stay abreast it is vital to be part of a community who are passionate about what they do.” Bradley Smit EHOD: Lead Support & Security Advisor, Vodacom Group Ltd

The Chapter fosters a strong relationship with the international body (ACFE)

As one of the largest Chapters, ACFE SA is well regarded by the international body. We have worked hard at developing a close working relationship with the international body. 2009/2010 saw the President of the local Chapter and fellow Board member attend the Annual Conference of the international organisation in Washington DC. The aim of the visit was to explore further opportunities and ways to most effectively develop the CFE and support our members locally.

These discussions were positive; we are encouraged and are engaged in on-going dialogue with the ACFE Headquarters.

There are many bridges between the international organisation and the local Chapter, including common membership, shared training and collaborative research.

Members benefit from the hard work of the regional committees

Members can volunteer to serve on a regional committee. These committees are integral to the Chapter's ability to support its members: they

facilitate access to regional training and in doing so provide more opportunities for members to earn CPE points. The committees also provide a gateway for regional networking and assist the Chapter by being the regional face of the ACFE SA.

Regional committees are largely responsible for running regional training events. It is clear from the report on training over the last year that these committees have performed well beyond our expectations. We all owe these regional committee members our heartfelt thanks for their contribution to the efforts of the local Chapter.

The local Chapter transforms its communications

As a gateway to local and international networks, the Chapter has worked hard on its communication and technology. It is a work in progress and it remains one of the projects to roll into next year.

The revamped website (www.acfesa.co.za) went live earlier this year. The new website has enabled greater functionality for members combined with improved layout and content. Particular attention has been paid to the needs of members, service providers and academic institutions.

Key areas on the website for networking are:

- Career centre for vacancies
- Services: advertisements of service providers in fields of interest to the forensic professional
- Training and events: schedules for the year
- Surveys: the Chapter launched its first benchmarking survey in 2009/2010. We will be providing members with more cutting edge research in the months to come. [ACFE](#)



