



## **Business Fraud: Practical Techniques for Prevention & Detection May 19, 2004**

### **Faculty Information**

**J. Michael Inzina, CPA, CGFM**, is founder and chief executive officer of Audit Litigation Training and Efficiency Consulting, Inc. (ALTEC), a consulting company serving public accounting firms and other accounting and auditing organizations on matters of audit efficiency, continuing education, litigation and ethics. He has over 25 years of public accounting experience, and remains a partner in the firm of Stagni & Company, LLC, whose practice is concentrated in government and nonprofits organizations. Mike holds a BA in accounting from the University of Louisiana (Monroe), where he graduated summa cum laude in May 1976. He is a member of the American Institute of CPAs, Society of Louisiana CPAs, Government Finance Officers Association of Louisiana, and the Association of Government Accountants. Mike earned the CEA in governmental in 1990, and was awarded the Certified Government Financial Manager (CGFM) designation in 1996. He is a past chapter president and member of the Society of Louisiana CPAs Board of Directors and served two terms as chairman of the Governmental Positive Enforcement Program of the Louisiana State Board of CPAs. He has served on a number of committees of the Society of Louisiana CPAs, and currently serves on its Ethics and Litigation Services committees. Mike is a member of the AICPA Professional Ethics Executive Committee, and served on the Auditing Standards Board from 1997 to 2000. From 1986 to 1993, Mike served as a member of AICPA Independence and Behavioral Standards Subcommittee, and as Subgroup Chairman of the Governmental Technical Standards Committee. During this time he conducted numerous investigations of complaints filed by federal, state and local agencies alleging substandard performance of audits of governmental and nonprofit entities, and represented the Professional Ethics Division at hearings of the Joint Regional Trial Board.

**David L. Cotton, CPA, CFE, CGFM** is managing partner of Cotton & Company LLP, Certified Public Accountants. Cotton & Company is headquartered in Alexandria, Virginia. The firm has a practice concentration in assisting Federal and State agencies, inspectors general, and government grantees and contractors with a variety of government program-related assurance and advisory services. Cotton & Company has performed grant and contract, indirect cost rate, financial statement, financial related, and performance audits

for more than two dozen Federal inspectors general as well as numerous other Federal and State agencies and programs. Cotton & Company's Federal agency audit clients include the U.S. General Accounting Office, the U.S. House of Representatives, the U.S. Small Business Administration, and the U.S. Department of Justice. Cotton & Company also assists numerous Federal agencies in preparing financial statements and improving financial management and accounting systems. Mr. Cotton received his BS in mechanical engineering (1971) and an MBA in management science and labor relations (1972) from Lehigh University in Bethlehem, PA. He also pursued graduate studies in accounting and auditing at the University of Chicago, Graduate School of Business (1977 to 1978). Mr. Cotton is serving on the board of the Institute for Truth in Accounting. Mr. Cotton is presently serving on the American Institute of Certified Public Accountants (AICPA) Anti-Fraud Programs and Controls Task Force, the Federal Accounting Standards Advisory Board (FASAB) Liaison Task Force, and is a former member of the AICPA "Group of 100." He is the past-chairman of the AICPA Federal Accounting and Auditing Subcommittee and has previously served on the AICPA Governmental Accounting and Auditing Committee and the Government Technical Standards Subcommittee of the AICPA Professional Ethics Executive Committee. Mr. Cotton is currently serving on the board of the Virginia Society of Certified Public Accountants (VSCPA), and has served on the VSCPA Litigation Services Committee, Professional Ethics Committee, Quality Review Committee, and Governmental Accounting and Auditing Committee. He is currently a member of the Association of Government Accountants (AGA) Financial Management Standards Board and is past-advisory board chairman and past-president of the AGA Northern Virginia Chapter. He is also a member of the Institute of Internal Auditors (past governor of the Washington, DC Chapter). Mr. Cotton has testified as an expert in governmental accounting and auditing issues before the United States Court of Federal Claims and other administrative and judicial bodies. Mr. Cotton served as a technical reviewer for the 1999 through 2003 editions of the AICPA Audit and Accounting Guide ***Audits of Federal Government Contractors***. Mr. Cotton is the author of the AICPA continuing education courses ***Fraud in Governmental and Not-for-Profit Audits—the Auditor's Responsibilities Under SAS 82*** and ***Joint and Indirect Cost Allocations: How to Prepare and Audit Them***. He also has been an adjunct instructor at the Inspectors General Auditor Training Institute (***Auditing the Federal Contracting Process*** and ***Contract and Procurement Fraud***) and currently teaches at the George Mason University Small Business Development Center (***Fundamentals of Accounting for Government Contracts***).

**Charles W. Blau, JD**, is a partner in the law firm of Meadows, Owens, Collier, Reed, Cousins & Blau, L.L.P., in Dallas, Texas. He focuses his practice on the representation of individuals and entities that are accused of white collar crimes. Mr. Blau assists companies in discrete internal investigations both before and during governmental inquiries. He also aids corporations in fashioning, enacting and administering compliance and ethics programs. He regularly advises clients how to prevent and detect criminal, civil and administrative problems, often in conjunction with independent accountants and investigators. His practice concentration and experience includes criminal law and litigation: Tax Fraud, Criminal Anti-Trust and Securities Fraud, Defense Procurement Fraud, Environmental Crimes, Health Care Fraud, Bank Fraud and Money Laundering Crimes. Mr. Blau was an Assistant United States Attorney for the Southern District of Indiana in 1976 and held various federal prosecutorial positions through 1987, including Associate Deputy Attorney General of the United States. He is a prolific author and speaker. He is an active member of the ABA White Collar Crime Subcommittee and served as a co-chair of the Southwest Regional Committee of the organization. He is

member of the Florida, Indiana and Texas bar associations as well as many other professional organizations. He received his undergraduate degree from Indiana University, his law degree from the University of Louisville and his L.L.M. in taxation from Georgetown University.

**Phillip Umphres** is an Assistant United States Attorney in Dallas, Texas. He is a native of Amarillo, Texas, a 1977 graduate of the University of Texas at Austin (where he majored in Accounting) and a 1980 graduate of Harvard Law School. Following law school Mr. Umphres served for 4 years as a criminal trial lawyer in the U.S. Army Judge Advocate General's Corps. After leaving the Army in 1984, Mr. Umphres worked as a civil trial lawyer in the Dallas office of Akin, Gump, Strauss, Hauer and Feld, where he was a partner engaged primarily in general business litigation. Since 1991 he has been an Assistant United States Attorney in Dallas, where he specializes in the investigation and prosecution of white collar frauds, including federal income tax offenses. During his time at the US Attorney's Office he has served in several supervisory and coordinating roles, most recently as the Criminal Health Care Fraud Coordinator for the Northern District of Texas. Mr. Umphres is a frequent lecturer and speaker on panels and legal programs, particularly those addressing white collar fraud and health care fraud.

**Dale V. Hogue**, is the owner of Dale V. Hogue and Associates, a private investigative firm that specializes in assisting lawyers and corporations investigate claims of business fraud. Mr. Hogue recently retired as a Special Agent with the Federal Bureau of Investigation (F.B.I.). He has more than 28 years of investigative and law enforcement experience, much of it focusing on fraud in businesses of all types. He was also a Technical Trained Special Agent responsible for various types of sophisticated investigative techniques and tools as well as a member of a Foreign Counter-Intelligence Squad. Prior to joining the FBI, Dale was an accountant at an accounting firm in Oklahoma City. He holds a Bachelor of Business Administration-Accounting from the University of Oklahoma. Dale's broad range of experience with the FBI includes numerous successful white-collar crime, public corruption and other criminal investigations. He was the case agent responsible for a two billion dollar bank failure investigation that resulted in the conviction of 25 individuals. Dale has been an instructor at the FBI Academy and for the International Training Unit of the FBI in which white-collar crime investigation seminars were presented in Russia and various other countries in eastern Europe and Asia.

**Julie Schexnider, JD**, is a Forensic Consultant for Computer Forensics, Intl., a division of Data Recovery Services, Inc. In addition to managing forensic and litigation-related projects, she plans and executes marketing and sales strategies for CFI in its East Coast office, in Washington, D.C. She also researches and teaches Continuing Legal Education seminars for CFI called "Advanced Data Recovery and the Legal Profession," which are currently certified by the Texas, Virginia and New York State Bar Associations. Ms. Schexnider has recently been tapped to join the eDiscovery Subcommittee of the Maryland Bar Association, in which she will collaborate with other lawyers and litigation support professionals to set protocols for handling eDiscovery issues in the new Business & Technology Case Management Program of the Maryland Bar. Ms. Schexnider holds a B.S. in Marketing from Louisiana State University, as well as a J.D. and Bachelor of Civil Law from the LSU Law Center. She is a member of the Louisiana Bar Association.