



Fraud Conference

AI and Data Analytics, Internal Fraud, Embezzlement and More

“The function of education is to teach one to think intensively and to think critically. Intelligence plus character – that is the goal of true education.”

– Martin Luther King, Jr.

Friday, February 7, 2024 – Virtual (Zoom)

8 a.m. – 4:30 p.m.

(8 CPE/CPD Credits)

We welcome everyone to this year’s Annual Fraud Conference. From the entire Board, we wish you all good health and happiness in this upcoming year!

We have much in store for you with this exciting array of presenters on some of the most pertinent fraud issues affecting our industry today. We end with an industry expert who will address the issues of “choice”, often a misunderstood and mysterious issue as to fraudsters and why they commit fraud.

We look forward to a great day and your participation, and we welcome our esteemed partner, the Long Island ACFE, for our 3rd all-day joint fraud conference!

**Welcome Back To Our Partner-The Long Island ACFE
and their President, Jane Ryan!!!**

Agenda

- 8 – 8:10am Welcome and Opening Remarks
 - Adam Bruhnke, LI Chapter President
 - Rocky Shankar, LI Chapter Programming Officer
- 8:10 – 9:00am A day in the life...Suffolk County Attorney-Christopher James Clayton
 - And Interview with Ernest Patrick Smith, Senior Partner, Nawrocki Smith
- 9:00 – 10:15am **Fraud and ESG Reporting**
 - Mark Boheim, Managing Director, Protiviti's-Business Performance Improvement
 - Kristen Viniotis, Managing Director, Protiviti's-Business Performance Improvement
- 10:15 – 10:30am **Break**
- 10:30 – 11:30am Crimes Against the Elderly – an Epidemic!
 - David Glodstein, Associate Professor at SUNY Old Westbury
 - Ernest Patrick Smith, Internal Audit-BVFDR-Nawrocki Smith
- 11:30am – 12:30pm Practical use cases for generative AI and Machine Learning in Fraud Prevention – 2.0
 - Vincent Walden, CEO of Kona AI
 - Prabhat Kumar, Senior Vice President, Kona AI
- 12:30 – 1:30pm **Virtual Lunch Break**
- 1:30 – 2:30pm Adding Value-How to utilize your IA team for fraud investigation
 - Prabhat Kumar, Senior Vice President, Kona AI
 - Roy Garbarino, CAE of Internal Audit-Brookhaven National Laboratories
 - Vincent Colletti, Managing Director, Wells Fargo
- 2:30 – 2:45pm **Break**
- 2:45 – 3:30pm Internal Fraud-Stories from the Vault-Insider Theft
 - Russ Safirstein, seasoned fraud investigator and entrepreneur
- 3:30 – 4:25pm The art of deception..."good people make bad choices and bad people make good choices"
 - Kelly Paxton, Certified Fraud Examiner, author, and podcast host-founder of Fraudish.
- 4:25 – 4:30pm Wrap Up and Closing Comments

Meet the Speakers



Moderator-Ernest Patrick Smith

Ernest Patrick Smith, CPA/ABV/CFF, CVA, CFE, CEPA Moderator is Senior Partner and Founder of Nawrocki Smith LLP and leads the Special Services Practice which includes providing Internal Audit, Internal Control Review and Evaluation, Forensic Accounting/Business Valuation and Risk Management Services to for-profit, not-for-profit, governmental, banks/credit unions, insurance companies and other related entities. Ernie has extensive experience as a Financial Investigator regarding integrity, internal control and evaluation, business valuation challenges, fraud and other related situations. He has led numerous training services for his clients and professional staff on various topics relating to internal audit, internal control review and evaluation, business valuation, fraud and forensic investigations and practice standards. He is a member of several committees within the New York State Society of CPA's including the Business Valuation Committee, Public Schools Committee and the Professional Ethics Committee. Ernie has provided assistance to counsel, through deposition testimony and trial testimony, in all aspects of litigation-related matters including mediation, arbitration and litigation. He has been recognized as an expert witness in accounting, business valuation and fraud related matters in both Federal and State Courts.

8 – 8:10am: Welcome and Opening Remarks

The Long Island Chapter President, Adam Bruhnke, and Rocky Shankar, Programming Officer, will provide their opening remarks for today's conference.

8:10 – 9:00am Keynote Speaker-Christopher John Clayton, Esq., Suffolk County Attorney



Chris John Clayton, Esq., County Attorney (of Suffolk) oversees all aspects of civil litigation within the county and presently is managing the fallout from the cyber fraud, numerous civil claims involving fraud, waste, and abuse in Suffolk County.

He has a storied career as a former Special Counsel to the Division of Special Investigations in the Suffolk District Attorney's offices and a 20 year career in private practice as a Partner at the prominent governmental law firm of Ingerman Smith.

A graduate of George Washington University and the Syracuse University College of Law, Chris brings to the table a vast amount of varying experiences from which he draws upon in his new role of County Attorney (Suffolk), the top civil attorney in the county.

We will have a unique session as we present, in interview format, a day (+++) in the life of the County Attorney.

9 – 10:15am: Fraud and ESG Reporting -Speaker Mark Boheim



Mark Boheim.

Kristen Viniotis

Mark Boheim is a Managing Director in Protiviti's Business Performance Improvement practice. Over the past ten years, he has led dynamic and diverse teams on key strategic initiatives for Fortune 500+clients, including the areas of initial public company readiness, business and finance transformation, business integrations, and technical accounting (US GAAP). Mark leads high-performing teams by partnering with client leadership to develop and deliver creative end-to-end solutions to unlock unrealized value with client finance organizations.

Mark's client experiences primarily focus in the global manufacturing and distribution (M&D) industry as he is the Firm's leader within the Materials & Chemicals sub-industry. In addition to M&D companies, Mark has significant experience with consumer products, telecommunications, and media companies. He offers widespread experience in technical accounting, SEC reporting, IPO readiness, divestitures, mergers and acquisitions, integration, business transformation, process reengineering and transformation, internal auditing and SOX compliance.

Protiviti is a global business consulting and internal audit firm composed of experts specializing in risk, advisory and transaction services. We help solve problems in finance and transactions, operations, technology, litigation, governance,

In this session, Mark will be diving into the evolving world of ESG reporting. As ESG reporting moves from voluntary to more regimented, similar to financial reporting, we will look at the current state of ESG reporting and the implications of inaccurate or fraudulent ESG disclosures on companies we will look at the current state of ESG reporting and the implications of inaccurate or fraudulent ESG disclosures on companies by diving into related recent cases and their and their results.

Kristen Viniotis is a Managing Director in Protiviti's Business Performance Improvement practice.

10:15 – 10:30am: Break

10:30 – 11:30am: -Financial Crimes Against the Elderly-Speakers David Glodstein and Ernest Patrick Smith



David Glodstein

Ernest Patrick Smith

David Glodstein, DBA, CFE, CPA is an Associate Professor at SUNY Old Westbury (OW) in Old Westbury, NY. He led the development of the Masters in Forensic Accounting Program at OW, which started in 2018. In addition, he developed both a Certificate in Forensic Accounting and a Micro-credential in Forensic Accounting. David also implemented and is the current coordinator of the Justice for Fraud Victims Project (JFVP) at OW, which provides experiential learning opportunities and helps small businesses, non-profit entities, and financially abused individuals who have been victims of fraud. He earned the ACFE's 2022 Educator of the Year Award for these efforts in addition to providing his students with real-life experience with programs like the JFVP and the IRS- CID's Citizens Academy. David has over 25 years of professional experience with cases involving asset misappropriation, embezzlement, and insurance loss verification. David has also assisted students in obtaining scholarships, like the ACFE's Ritchie-Jennings Memorial Scholarship.

Ernest Patrick Smith, CPA/ABV/CFF, CVA, CFE, CEPA Moderator is Senior Partner and Founder of Nawrocki Smith LLP and leads the Special Services Practice which includes providing Internal Audit, Internal Control Review and Evaluation, Forensic Accounting/Business Valuation and Risk Management Services to for-profit, not-for-profit, governmental, banks/credit unions, insurance companies and other related entities. Ernie has extensive experience as a Financial Investigator regarding integrity, internal control and evaluation, business valuation challenges, fraud and other related situations. He has led numerous training services for his clients and professional staff on various topics relating to internal audit, internal control review and evaluation, business valuation, fraud and forensic investigations and practice standards. He is a member of several committees within the New York State Society of CPA's including the Business Valuation Committee, Public Schools Committee and the Professional Ethics Committee. Ernie has provided assistance to counsel, through deposition testimony and trial testimony, in all aspects of litigation-related matters including mediation, arbitration and litigation. He has been recognized as an expert witness in accounting, business valuation and fraud related matters in both Federal and State Courts.

In this presentation the focus will be on the multiple levels and types of crimes against the elderly. The epidemic level of these types of offenses will outline the many studies that have focused on this type of activity and the possible remedies to address the heinous acts against the truly innocent elderly.

11:30am – 12:30pm – Fraud Investigation and the Use of AI and Data Analytics-2.0



Vincent Walden



Prabhat Kumar

Vincent Walden, CFE is CEO of Kona AI, a global, AI-driven technology company focused on anti-fraud, anti-corruption and compliance risks. He specializes in forensic data analytics, continuous controls monitoring, information governance and legal discovery services. With over 25 years of professional anti-fraud and forensic technology experience, his primary area of focus is in providing leading technology innovations on both proactive compliance programs and reactive investigations.

Prior to joining Kona AI, Mr. Walden was a Managing Director at Alvarez & Marsal's (A&M) Disputes & Investigations practice for approximately three years. Prior to A&M, Mr. Walden spent 14 years at Ernst & Young's Forensic & Integrity Services Practice in Dallas, New York and Atlanta, where he served as a Partner for nine years leading a global team of forensic data analytics professionals and supporting white-collar investigations. Before EY, he worked at KPMG and Arthur Andersen. During his career, he also served as President and CFO of a privately-funded Internet company, which was subsequently sold to a Fortune 500 Company in 2001.

As an industry thought leader, Mr. Walden was recognized as "Certified Fraud Examiner of the Year" in 2022 and has been featured in many publications including Internal Auditor Magazine, Compliance Week, Forbes, The Wall Street Journal, Harvard Business Review and The Economist. Since 2018, he has been a regular columnist for FRAUD Magazine writing on anti-fraud innovation. As part of COSO's Anti-Fraud Task Force, Mr. Walden co-authored its "Fraud Risk Management Guide", which was released in September 2016 and was also part of the 2023 update. He also teaches Compliance Innovation as an Adjunct Professor at Fordham Law School in New York and hosts a bi-weekly podcast show, "The Walden Pond", which focuses on compliance technology and trends.

Mr. Walden earned a bachelor's degree in business administration from the University of Southern California. He completed the Harvard Leadership Program at Harvard Business School and is a Certified Public Accountant and a Certified Fraud Examiner. Mr. Walden also volunteered as the President of The Association of Certified Fraud Examiner's Education and Research Foundation (2017-2021), which provides academic scholarships to students and anti-fraud research to qualified recipients

In our 2.0 presentation Vince Waldon will return, accompanied by Prabhat Kumar to provide us with their updates in the quest to develop and AI fraud investigation tool and some "How to" as to the use of data analytics in fraud investigations.

Prabhat Kumar, CPA is a Vice President of Global Internal Audit Solutions at Kona AI, a new start up global, AI driven technology company focused on anti-fraud, anti-corruption and enterprise risks. Prabhat leads Kona AI global internal audit engagements and provides data driven strategies to optimize internal audit projects including continuous controls monitoring solutions.

Prabhat has 20 plus years of experience in global risk management, internal controls, and internal audit management at CPG, Manufacturing, Technology, Retail/Whole Distribution companies. Prabhat has led the global internal audit function at some large global companies like Revlon Inc., Canon USA Inc. and Leviton Manufacturing Company.

Prabhat has been a member of the Long Island Chapter of the Institute of Internal Auditors since 1992 and has held the positions of President (2002-03), Executive Vice President, Treasurer and Board of Governor over the years. He continues to support the chapter program and speakers committee in the coming years. He also currently serves as an Internal Audit Committee member for the NYS Society of CPAs and a local school district.

Prabhat is a CPA and is a member of the American Institute of Certified Public Accountants and the New York State Society of CPAs. Prabhat is also a Chartered Accountant and a member of the Institute of Chartered Accountants in India.

12:30 – 1:30pm: Virtual Lunch

1:30 – 2:30pm: Adding Value-How to utilize your IA team for fraud investigation



Prabhat Kumar



Vincent Colletti



Roy Garbarino

Vincent Colletti, CIA, CFSA, CRMA Vinny joined Wells Fargo in December 2022 and has over 30 years of Internal Audit experience, 20 of which within Financial Services. He has covered such areas as Retail Banking / Lending, Consumer Compliance, Third-Party Risk Management, Accounts Payable, Human Resources, Corporate Functions, Fraud and Sales Practices. Vinny also held leadership roles within Internal Audit Professional Practices and Quality Assurance. In addition, Vinny served 9 years as a Chief Audit Executive and Compliance Officer of a publicly held medical device manufacturer, covering all aspects of financial, operational and IT risks, as well as Sarbanes Oxley compliance.

Vinny has his B.S in Accounting from Brooklyn College. He is a Certified Internal Auditor, a Certified Financial Services Auditor, and has a Certification in Risk Management Assurance. Vinny is an active member of the Institute of Internal Auditors (IIA) and sits on the Board of the Long Island Chapter of the IIA.

Roy L. Garbarino, CIA, CRMA has over 30 years of internal audit and risk management experience and has served in financial and operational roles at major corporations, financial institutions, and government entities. Mr. Garbarino is a Certified Public Accountant (CPA), a Certified Internal Auditor (CIA), has a Certification in Risk Management Assurance (CRMA), and is an alumnus of the Stonier Graduate School of Banking. Past positions have included CAE, Controller, and Global Operations Manager for Citigroup's Security and Investigative Services. He currently serves as CAE and Director Internal Audit at Brookhaven Science Associates (Brookhaven National Laboratory).

Mr. Garbarino has been a member of Long Island Chapter of the IIA since 1995. He is a former President of the Chapter and has served in many other roles. He is currently a member of the Board of Governors and the Advocacy Committee.

As a part of the Department of Energy (DOE) Brookhaven National Laboratory's leadership team, Mr. Garbarino serves on risk and operational committees and has served as Chairperson of the DOE's Chief Audit Executive Council which works with leaders from across the DOE complex to maximize the contributions and efficiency of internal audit operations.

This seasoned trio of Internal Audit CAE's will touch upon the use of IA personnel to assist and/or perform fraud investigations and other related services.

2:30 – 2:45pm: Break

2:45 – 3:30pm: Internal Fraud-Stories from the Vault-Insider Theft



Russ Safirstein

Russell Safirstein is a seasoned executive and innovative thinker, Russell has a proven track record of delivering non-traditional solutions to complex challenges. By seamlessly integrating technology, audit, accounting, risk, and compliance he has successfully driven business growth and success.

He will present “from the vault” some of the most interesting internal thefts as seen from the annals of a seasoned professional in this discipline.

3:30 – 4:25pm: The art of deception...”good people make bad choices and bad people make good choices”



Kelly Paxton

Kelly Paxton has more than 20 years of investigative experience. Kelly is a Certified Fraud Examiner, author, and podcast host-founder of Fraudish.

Ms. Paxton started her career in law enforcement as a Special Agent for US Customs Office of Investigations in 1993. Ms. Paxton was recruited by US Customs for her expertise in finance. She worked white collar fraud, money laundering and narcotics cases. She also was responsible for the district's undercover operations and financial reporting of these operations. Kelly worked as a contract investigator doing over 1000 security background investigations for the Office of Personnel Management and Department of Homeland Security.

Kelly has worked in the public and private sector. Most recently she worked as an investigator for Nike. Her investigations include embezzlement, conflict of interest, intellectual property, Open Source Intelligence and fraud. Kelly is also the proud owner of pinkcollarcrime.com, a passion of hers about embezzlers in the workplace. **Her book, Embezzlement How to Prevent, Detect and Investigate Pink-Collar Crime, was published in December, 2020.**

Nobody's Fool: Fraud and Behavioral Science in Today's World

Good people make bad choices and bad people make good choices. Using behavioral science, neuroscience, anecdotes and real life examples, listen to how easily it is to be deceived and what can you do about it. This is not your regular boring ethics presentation. I won't say "it depends!"

Learning objectives:

Understanding deception in both professional and personal settings. How you can protect your organization and your community.

How fraudsters work to gain trust and control.

Confirmation bias-what is it and how you can lessen it to prevent risks.

Identify common practices to potentially stop fraud in its tracks.

Steps to implement better controls in your workplace including pre-mortems and positive controls

4:25 – 4:30 PM: Conference Wrap Up and Closing Comments-Moderator-Ernest Patrick Smith