



Association for  
Financial Professionals  
of Western New York

**Presents its**  
Winter Half-Day Conference

2010 Economic Forecast (1:00-2:00)

**Richard Deitz** serves as Regional Economics Officer and senior economist for the Federal Reserve Bank of New York, and has been with the Federal Reserve since 1998. He provides economic analysis of upstate New York for the Federal Reserve System, and often consults with state and local governments on regional economic issues.

Prior to joining the Federal Reserve, Mr. Deitz served as a professor of economics for several upstate New York colleges and universities, including Canisius College, the University of Buffalo, the Rochester Institute of Technology, Saint Lawrence University, and Binghamton University.

Currently, Mr. Deitz serves on Governor Paterson's Council of Economic Advisors, as well as the Board of Economic Advisors for the New York State Division of the Budget and the New York State Assembly Ways and Means Committee. He also resides on the Board of Directors for the New York State Economics Association, where he served as president, and is past president of the Regional New York Center for Financial Training.

Mr. Deitz created the *Empire State Manufacturing Survey*, an economic indicator now followed worldwide. He has published a number of works on issues facing the upstate New York economy, as well as a number of academic papers in the field of urban and regional economics. He is often quoted in newspapers on both the regional and national levels, including the New York Times and the Wall Street Journal, and has appeared on CNN, CNBC, and Bloomberg Television.

Mr. Deitz has a Ph.D. in Economics from Binghamton University.

*The presentation will examine the recent performance of the upstate New York economy, focusing on trends in job growth and the local housing market. The region has performed better than average during the recession, in large part because upstate's housing markets bypassed the bust being experienced in many parts of the country.*

Trends in White Collar and Cyber Crime (2:20-3:25)

**Kevin R. Black** has been a Special Agent of the Federal Bureau of Investigation since 2002. His initial assignment was to the San Diego Division, where he worked drug trafficking organizations and corporate fraud, including a \$4 billion accounting fraud at a publically traded company. Since 2007, he has been assigned to investigate white collar crime in the Buffalo Division, Rochester Resident Agency. SA Black is a graduate of Syracuse University and the University at Buffalo School of Law.

*SA Black will present examples of Ponzi Schemes, High Yield Investment Fraud, Market Manipulations (Pump and Dump vs. Hack and Dump), Advance Fee Schemes and Mortgage Fraud, with their current twists. A discussion of "Fraud from the Outset" versus "Fraud of Opportunity." Discussions on corporate crime will finish the session, followed by Q&A.*

## Preventing/Detecting/Enforcing Fraud (3:45-5:00)

**Peter C. L'Abbate**, Lead Fraud Investigator for Paychex, Inc., located in Rochester, New York, and specializes in the investigation and criminal prosecution of fraud as it relates to payroll theft and fraud, ACH transactions, identity theft and the exploitation of the Payroll Company Industry.

Mr. L'Abbate is a University graduate from Rochester, New York, where he majored in Criminal Justice and Psychology. He began his professional career as a Police Officer with the City of Rochester Police Department. His last assignment with the Rochester Police Department was with the Special Investigation Section, which specialized in narcotic investigations, wiretaps, and Organized Crime dealing with illegal gambling and fraud. As an officer assigned to the Special Investigation Section, he conducted numerous felony investigations and assembled a series of cases involving individuals organized in distributing illegal drugs and illegal gambling. While working as an undercover Police Officer, he sustained a career ending injury that forced him to retire early, ending his career as a Police Officer.

In 2006, Mr. L'Abbate was given the opportunity and responsibility of creating the first ever ERM Fraud Department for Paychex, Inc. Paychex, Inc. is the number one small business payroll company in the United States with 100 satellite branches nationwide. Paychex, Inc. has accumulated over \$10 billion dollars in assets, and handles over \$300 billion dollars in financial transactions yearly. Paychex, Inc. boasts that it sustains only \$4 million dollars or less, in total company losses for the past 5 years. In his first year as Lead Fraud Investigator, Mr. L'Abbate reduced the overall fraud success rate by 58% and fraud losses by 50%.

Mr. L'Abbate is an advisory member of the Payroll Fraud Prevention Group, Inc, a member of the Association of Certified Fraud Examiners and a member of the International Association of Certified Fraud Investigators. He lectures frequently to Law Enforcement, Financial groups, and to other professional groups regarding payroll fraud, identity theft, and white-collar crime.

### **Preventing/Detecting/Enforcing Fraud**

#### **Fraud/Theft**

- Definitions of Fraud and Theft
- Payroll Processing Fraud
- Payroll Processing Theft
- Check Fraud
- Identity Theft
- Business ID Theft
- Bank Account Theft

#### **Payroll Fraud Detection**

- Social security Numbers
- Bank Account information
- Fed Id Paperwork
- Owner Information
- Business location information

#### **Reporting Payroll Fraud**

- Civil vs Criminal
- Jurisdiction
- Established Business Relationship
- Intent to Commit a Crime
- Positive ID of Suspects
- Tracking Suspects
- Bank Account Open/Closed/Stolen
- Reporting Format

**Law Enforcement**

- What to Report
- How to Report
- Follow Up
- Subpoena Information
- Positive ID of Suspect

**Combating Payroll Fraud**

- Upfront Compare Processes
- Upfront ID Checks
- Threshold limits to reduce Risk

**Summary of Instruction**