

Monthly Footnotes

Monthly Publication

Southern Wisconsin Chapter of the Association of Government Accountants (AGA)

February, 2008

Vol. VII

Luncheon Meeting **Welcome Members and Non- Members**

TOPIC: How to Maintain Balance in a Hurried World

SPEAKER: Kathleen A. Holt

DATE: Thursday, February 21, 2008

LUNCH: 11:45 A.M. **REGISTRATION:** 11:30 A.M.

COST: \$5 for Members, \$10 for Non-Members

PLACE: Gino's of Madison, 540 State Street

MENU: Lasagna – Gino's homemade lasagna, choice of meat or veggie
Chicken Caesar Salad – Classic Caesar salad with grilled chicken

RESERVATIONS: Please call **Sherri Voigt** by 1 p.m. on Monday, February 18, 2008 with your name and membership status, (608) 267-9818 or e-mail: sherri.voigt@dnr.state.wi.us. If you need help getting a ride to the lunch, please contact Sherri for car-pooling assistance.

NEW MEMBERS FIRST LUNCHEON MEETING

If you are a new member and this will be the first luncheon you are attending, please note that when calling in your reservation. Your first chapter luncheon meeting is FREE!

BRING YOUR SUPERVISOR TO LUNCH ON AGA

One of the benefits of belonging to our Chapter is that you can bring you Supervisor to lunch once annually to show your appreciation for his/her support of your participation in AGA. Why not invite them for this months meeting?

ABOUT THIS MONTH'S LUNCHEON SPEAKER

Kathleen A. Holt has been an Employee Assistance Consultant for U. W. Madison for over 17 years. In that capacity she provides consultation on personal and workplace concerns utilizing her skills in alternative dispute resolution, coaching, short-term counseling, and organizational assessment. Kathleen leads retreats for campus groups and provides consultation on a wide variety of topics. Specific areas of expertise are Emotional Intelligence, Appreciative Inquiry, and Effective Communication When Under Stress. She holds a Masters Degree from U.W. Madison, a postgraduate degree in Family Therapy from Northwestern, and a certificate in Organizational Development from The National Training Laboratory.

PRESIDENTS MESSAGE

Eric Busse

Are you tired of all the snow yet? As I am writing this, we will be under another winter storm watch. I remember snow like this when I was a kid, but it did not snow every day. I have to check the map to see if somehow I moved to the U.P. We also had contradicting information from Sun Prairie's "Jimmy" the groundhog and that other groundhog, "Punxsutawney Phil", so your guess is as good as mine if Spring will be early or we have 6 more weeks of winter. I believe everyone would be OK with the 6 more weeks if we do not get any more snow.

Our luncheon speaker last month was the Annual Tax Update presented by Shannon Davis of Virchow Krause. Shannon explained the changes that took place with the IRS tax rules in the past year that we can use personally and professionally. I hope that you can take advantage of the credits and deductions available to all of us.

Please mark your calendar to attend the monthly luncheons. Not only can you receive CPE credit for attending, you can make new contacts, see old ones, and even take part in the discussions. Remember, if you are new member and you are attending your first luncheon, just let us know and that lunch is on us. There is also still time to register for the class on "Cost Principles and Cost Allocation Rules and Regulations for Federal Funded Grants and Contracts" on March 11.

If you would like to nominate someone (and it could be yourself) to serve on our chapter board, we welcome others to get involved. Anyone interested in taking a more active role in the chapter should look at the vacancies on the last page of the newsletter. Feel free to contact any of the board members or myself for more information or attend a board meeting.

Last Chance!

Members attend 3 Training Sessions September to February
And Earn a Free Lunch
Coupon Valid at the March, April, or May Lunch

We are in the final planning process for the 2008 Annual Spring Symposium. If you have any suggestions for speakers and/or topics, please forward them to Carrie Ferguson, Education Chair at Carrie.ferguson@legis.state.wi.us, (608) 259-9839, or Eric Busse, President, at eric.busse@dpi.state.wi.us, (608) 267-9199.

OMB Circular Training March 11, 2008 Still Time to Sign Up

Course Title: Cost Principles and Cost Allocation Rules and Regulations for Federally Funded Grants and Contracts. To register complete the registration form.

Date: March 11, 2008

Length: 8 Hours

Description:

The first 4 hours discusses OMB Circular A-102 and the government wide “Common Rule.” All State, local and government units receiving Federal funds must follow these general administrative rules. This part of the course covers pre-award, post-award, and grant closeout requirements.

The second half of the course covers 2 CFR 225 – Cost Principles for State, Local and Indian Tribal Governments (formerly OMB Circular A-87). The course discusses the basic principles for determining the allowability of costs incurred by state, local and tribal governments. The course also includes a discussion of direct versus indirect costs, a description of four basic types of indirect cost rates and an introduction to the preparation and use of cost allocation plans and indirect cost rates.

From The National Office

AGA Past National President Jeffrey C. Steinhoff, CGFM, Retires



Steadfast, determined, consummate professional, outstanding fiscal steward, and finally, “father”. These were just some of the adjectives used by his colleagues and friends to describe AGA Past National President **Jeffery C. Steinhoff, CGFM, CPA, CFE**, on the occasion of his retirement this month after 40 years of federal service.

Credited for being the “father” of AGA’s Certified Government Financial Manager (CGFM) Program during his term as 1993–1994 AGA National President, he served as the first Professional Certification Board chairperson, from 1994–1998, and continues as a board member today. He is also considered one of the fathers or principal architects behind the groundbreaking 1990 Chief Financial Officers Act.

After graduating from the College of William and Mary, Steinhoff began his federal career as an auditor with the Army Audit Agency. In 1973, he moved to the U.S. General Accounting Office (GAO, now the Government Accountability Office) where he spent the remainder of his career, retiring as managing director for Financial Management and Assurance. [Read entire article.](#)

[Read Our Q&A Interview with Jeffrey C. Steinhoff, CGFM.](#)

AGA Partners with the Council for Excellence in Government

The Association of Government Accountants (AGA) and the Council for Excellence in Government (CEG) are pleased to announce the initiation of a new partnership to develop a

financial management career track with the CEG's '*Excellence in Government Fellows Program*'. Through the new partnership, AGA and CEG will work to design and implement a financial management career track within the *Fellows* program. The new track will include specific financial management-related education courses and specialized team projects, benchmarking and coaching. [Read more.](#)

National Awards Committee Announces Leadership Awards

The National Awards Committee has announced the recipients of this year's Leadership Awards, which will be presented at the National Leadership Conference, Feb. 21–22, in Washington. [View the complete list of award recipients.](#)

St. Louis County Brings its Budget to the People in Easy-to-Read Format

St. Louis County, in northeastern Minnesota, is the largest county east of the Mississippi River, covering more than 7,000 square miles. While roughly half the population of about 200,000 is clustered around Duluth, the remainder are scattered across smaller towns, mining and farm communities, with an average of 32 people per square mile.

Communicating with citizens is just one of the many challenges government officials face in serving this population every day. However, in recent years, the county has been focusing on making budget and government performance information easier to understand, said Linnea Betzler Mirsch, an analyst with the administration department. So when she saw AGA's guidelines for developing [Citizen-Centric Reports](#), she suggested the county use them to provide budget information to the public. "Having that common framework and structure to use made us say, OK, we're doing it and we're doing it quickly," Mirsch said. [Read more.](#)

CGFM Corner

CGFM Examinations Update



In 2007, AGA undertook a psychometric review and update of the three CGFM Examinations. To ensure the examinations' content reflects the current industry practices, AGA conducted a full-scale Job Analysis Study of the role of the Certified Government Financial Manager. While the core of the examination content remained the same, the three examination content outlines were updated, refreshed, and streamlined. The weighting among the sub-content areas within each examination was adjusted, and the language of the content outlines was revised to provide additional depth and detail to support candidates preparing for the examinations.

[The revised examination content outlines may be found here.](#)

[The Job Analysis process is described here.](#)

The updated CGFM Examinations will be offered for the first time at the Intensive Review Course/CGFM Examinations event to take place before the Professional Development Conference in Atlanta on July 24–27, 2008. The updated examinations will be available in Prometric testing centers beginning on Aug. 15, 2008. CGFM Examinations taken prior to that date will follow the [existing examinations content outline](#).

AGA is in the process of revising the three CGFM Study Guides to reflect the updated

examinations content outline. The updated study guides will be available in March.

If you have any questions about the examinations update, please contact the Office of Professional Certification at 800.AGA.7211, ext. 305.

Articles

AGA's FMSB Comments on FASAB Proposal

AGA's Financial Management Standards Board (FMSB) has sent comments to the Federal Accounting Standards Advisory Board (FASAB) on a proposed Statement of Federal Financial Accounting Standards titled, *Reporting the Gains and Losses from Changes in Assumptions and Selecting Discount Rates and Valuation Dates*. The FMSB, [in a Jan. 15 letter](#), agreed that displaying gains and losses from changes in assumptions as discrete line items on the statement of net cost will enhance the usefulness of the information, increase the readability of the statement and make it easier for users to assess operating performance and stewardship. The issuance of guidance regarding rates to be used for discount rates will reduce the current uncertainty in practice and create more consistency and comparability in reporting.

In Search of Revenue: Local Governments Could Have More Impact Than the Capital This Year

What are the issues and problems that are likely to dominate the debate in the states and localities this year? There is one overriding dilemma that will affect many of the others: declining revenues. Almost half the states are suffering from a decline in real estate value, and some of their budget projections look increasingly dismal. California's projected deficit has doubled, to \$14 billion. New York's is \$4.3 billion. Florida's is \$2.4 billion. The same thing is beginning to happen to local governments. As foreclosures mount and property assessments flatten or fall, municipal and county revenues across the country are trailing off — just at a time when governments are facing increased spending pressure on transportation infrastructure, under-funded pensions and medical benefits for employees, on top of such traditional concerns as education and crime. — Peter Harkness, *Congressional Quarterly*. [Read more.](#)

Broad Failings Found in Audit of New Orleans Finances

A long-awaited audit of New Orleans' 2006 finances reveals an overburdened, disorganized system of fiscal oversight at City Hall that is prone to bookkeeping delays and lacks a variety of internal controls, including barriers to prevent corruption of the public bidding process, according to the accounting firm that conducted the audit. The report is striking in the breadth of its concerns. Beyond offering general criticism of how New Orleans manages its accounts, auditors identified sloppy procedures for handling cash transactions, gaping holes in the protection of electronically stored information and deficiencies in the collection and recording of property, sales and franchise taxes. Referring generally to the ability of Mayor Ray Nagin's administration to oversee municipal finances, the auditors with the firm KPMG state: "The city does not have adequate policies, procedures, and related internal controls to prepare accurate and complete financial statements." In response to nearly every problem uncovered, city

officials attribute their shortcomings to a lack of capacity owing to significant layoffs that followed Hurricane Katrina. Officials say they are working to rehire accounting staff and consultants to rectify the problems. —Michelle Krupa, *The Times-Picayune*. [Read more.](#)

AGA Member Offers Commentary on DOT's Success as a Shared Service Provider for Financial Systems

The U.S. Department of Transportation four years ago completed the conversion of all of its component agencies to a single state-of-the-art financial system using commercial off-the-shelf software. We now provide proven financial system and expert accounting services to other agencies as a federal shared service provider, as designated by the Office of Management and Budget. —Larry Neff, Deputy Chief Financial Officer, U.S. Department of Transportation, *The Federal Times*. [Read more.](#)

Report: Health, Pension Costs Will Drain Philadelphia's Resources to Tackle Other Problems

Philadelphia's ballooning pension and health-care costs threaten the city's ability to provide services and continue to reduce taxes, according to a report by the Pew Charitable Trusts and the Economy League of Greater Philadelphia. The study found that benefit costs would consume 28 percent of Philadelphia's budget by 2012, up from 16 percent in 1998. That rise will drain "the resources needed to tackle other city problems", according to Donald Kimelman, managing director of Pew's Information and Civic Initiatives. The study, which compared 10 major cities, also found that Philadelphia:

- Paid more in health-care costs per retiree (\$9,150) than any city surveyed.
- Paid more in health-care costs per employee (\$9,841) than any city surveyed but Detroit. That figure is about triple the cost per employee for private industry in the Mid-Atlantic region. —Marcia Gelbart, *The Philadelphia Inquirer*. [Read more.](#)

Increasing Security Breaches Worry Energy IG

Inspector General Gregory Friedman hopes to lock down security on the U.S. Department of Energy's interconnected computer networks, after auditors called 132 security breaches serious enough to report to law enforcement in fiscal 2006—22 percent more than in the prior year. The department's 69 organizations support as many as eight separate intrusion and analysis groups, which do not use a common incident-reporting format and do not always retain crucial information about cyber attacks, the IG said in a Jan. 22 report. Some sites opt out of monitoring their networks or even disable the sensor equipment. Energy has found such cyber weaknesses before but "does not specifically require that incidents be reported to law enforcement or counterintelligence officials", the report said. —Susan M. Menke, *Federal Computer Week*. [Read more.](#)

Environmental Fraud Subject of Upcoming Audio Conference

AGA, in conjunction with the National Association of State Auditors, Comptrollers and Treasurers and the Association of Local Government Auditors, is pleased to announce a new audio conference, [How Fraud Can Undermine the Integrity of Environmental Programs and Create Environmental Risks](#). The audio conference, worth two CPE hours, is set for 2 – 3:50 p.m. EST, **March 5, 2008**.

Criminal Investigators at the U.S. Environmental Protection Agency (EPA), working with auditors and investigators across the federal, state, and local accountability community, have an impressive record addressing fraudulent activities that can affect human health and the environment. Prosecuting these bad actors is just the first step. To prevent future fraud, it is critical to address the systemic weaknesses that allow fraud to occur and prevent the individuals and organizations that commit fraud from continuing to do business with the government.

Speakers include **Michael Daggett**, Director, EPA OIG Program Integrity Directorate; **Larry Valett**, Director, EPA OIG Financial Fraud Directorate; and **Frank Lane**, Director of EPA's Suspension and Debarment Division.

Cost is \$249 per site (unlimited attendance) if you register on or before **Feb. 29**, and \$299 thereafter. Government agencies and CPAG members who register five or more offices can receive a 20 percent discount (pay only \$200 per site).

[Register online](#), or print the [regular registration form](#), or the [special promotion registration form](#) and fax it to 703.684.6933.

[View the entire audio conference schedule.](#)

SHARE YOUR NEWS

Do you have some interesting news that your fellow chapter members may be interested in? If so, please submit an article to the Newsletter Editor at radivl@dhfs.state.wi.us. Deadline for submission of articles is the 25th of the month.

ARE YOU MOVING?

If you are moving, or have already moved, please notify both your chapter and AGA National of your address change. You can update your address online at the national website: www.agacgfm.org/membership/form_address.htm





YOU ARE CORDIALLY INVITED TO ATTEND THE

FEDERAL WOMEN'S PROGRAM
INTERAGENCY CONFERENCE 2008

WHEN: Wednesday, March 19th, 2008

WHERE: Marriott Madison West
1313 John Q. Hammons Drive
Middleton, WI 53562

PHONE: (608) 831-2000

TIME: Registration - 7:30 a.m. to 8:45 a.m.
Conference - 8:45 a.m. to 3:15 p.m.

REGISTRATION DEADLINE IS FEBRUARY 25, 2008

Pre-registration is required.

Sponsoring agencies are USDA's Rural Development, Natural Resources Conservation Service, and Farm Service Agency.

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**Please contact: Christie Brooks
by February 25, 2008 at (715) 345-7621 or
by e-mail: Chris.Brooks@wi.usda.gov**

Southern Wisconsin Chapter Calendar of Events for 2007-2008

August 14, 2007 – Board Meeting, Old Country Buffet, Madison

September 11, 2007 – Board Meeting, Old Country Buffet, Madison

September 19, 2007 – E-mail Etiquette, Cindy and Ron Cox (Dayton Street Café)

October 16-17, 2007 – Government Financial Management and Controls Training
Course (Inn on the Park)

October 25, 2007 – Wisconsin's Homeland Security Grant Program, Greg Engle, OJA
(Coliseum Bar)

November 13, 2007 – Board Meeting, Old Country Buffet, Madison

November 15, 2007 – Charter Schools in Wisconsin, Barry Golden, DPI (Babe's)

No December Luncheon Meeting or Board Meeting

January 8, 2008 – Board Meeting, Old Country Buffet, Madison

January 24, 2008 – Annual Tax Update (Imperial Garden)

February 12, 2008 – Board Meeting, Old Country Buffet, Madison

**February 21, 2008 – How to Maintain Balance in a Hurried World, Kathleen Holt
(Gino's)**

March 11, 2008 – Board Meeting, Old Country Buffet, Madison

March 11, 2008 – Federal Common Rule/Indirect Cost Training (Tripp Commons, UW-
Memorial Union)

March 20, 2008 – luncheon topic and location to-be determined

April 8, 2008 – Board Meeting, Old Country Buffet, Madison

April 24, 2008 – luncheon topic and location to-be determined

May 6, 2008 – Board Meeting, Old Country Buffet, Madison

May 13, 2008 - *Annual Spring Symposium*, Tripp Commons, UW-Madison Memorial
Union

May 22, 2008 – luncheon topic and location to-be determined

June 10, 2008 – Board Meeting, Old Country Buffet, Madison

Note: Community service, VITA, and social events will be announced during the year.

2007-08 Chapter Officers and Board Members

President – Eric Busse, DPI eric.busse@dpi.state.wi.us, 608-267-9199

President Elect – Vacant

Past President – Sherri Voigt, CGFM, CPA, DNR, sherri.voigt@wisconsin.gov, 608-267-9818

Chapter Recognition – Dolly O’Laughlin, olaughlin@co.dane.wi.us, 608-242-6314

Secretary – Vacant

Treasurer – Roger Birkett, CPA, jabirk@charter.net

Historian – David Mellem, CGFM, CIA, CISA, US DHHS OIG, david.mellem@oig.hhs.gov, 608-264-5415
ext 25

Membership Chair - David Mellem, CGFM, CIA, CISA, US DHHS, OIG, david.mellem@oig.hhs.gov,
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Education Chair – Carrie Ferguson, CPA, LAB, carrie.ferguson@legis.state.wi.us, 608-259-9839

Webmaster – Scott Thornton, scott@goochpages.com

Community Service Chair – Sherri Voigt, CGFM, CPA, DNR, sherri.voigt@wisconsin.gov

Research Coordinator & Liaison w/Other Profession Organizations – W.S. Raftery

CGFM Chair – Eric Busse, DPI eric.busse@dpi.state.wi.us

Awards Chair – Vacant

Early Careers Chair – Vacant

Directors -

Julie Gordon, CPA, UW System, jgordon@uwsa.edu, 608-263-4395

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RVP North Central Region – Cindy Cox, DFAS, cindy.cox@dfas.mil

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