

Monthly Footnotes

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

August, 2008

Volume IX – Issue 1

Welcome to the 2008-2009 Program Year!

Below is the calendar for the year. Reserve the dates now!

September 25, 2008 – Luncheon: topic and location to be determined

October 23, 2008 – Luncheon: topic and location to be determined

November 13, 2008 – Luncheon: topic and location to be determined

January 22, 2009 – Luncheon: Annual Tax Update (Imperial Garden)

February 26, 2009 – Luncheon: topic and location to be determined

March 26, 2009 – Luncheon: topic and location to be determined

April 23, 2009 – Luncheon: topic and location to be determined

May 12, 2009 - *Annual Spring Symposium – UW-Madison Memorial Union*

May 21, 2009 – Luncheon: topic and location to be determined

2 hour audio conferences will be scheduled throughout the year. Watch this newsletter or the web site for announcements.

PRESIDENTS MESSAGE

Hello everyone! I am excited to serve as the Southern WI AGA Chapter President for the 2008-2009 program year. We have some great sessions planned for you and will be adding audio conferences to the schedule throughout the year. If you ever have suggestions or comments, please don't hesitate to contact me.

For those who may not know me, here is a little bit of my background. I am a Management Accountant with the WI Department of Natural Resources, where I have worked since 1994. I have been a State of WI employee since 1992, working a year each at the Dept of Regulation and Licensing and the Dept of Health and Family Services. I have been an AGA member since 1995 and joined the chapter board in 1998. I have been very active with AGA over the years:

- served as chapter president for the 2004-05 and 2005-06 program years
- served as Regional Vice President for the North Central Region for the 2006-2007 program year
- served as Regional Coordinator for Chapter Development and Assistance from 2007-2010
- member of the AGA National Awards Committee member since 2004

I studied accounting at MATC and Edgewood College. I went on to get my MBA from UW-Whitewater. I took the CPA exam way back when it was a 3-day event on paper and got my license in 1994. Three years ago, I studied for the CGFM exam and took all 3 parts (in one day) at the conference in Orlando.

I also enjoy volunteering at the Dane County Humane Society. I have been on the Finance Committee for the past 5 years. I have been active in the Volunteer Income Tax Assistance (VITA) Program for over 7 years. I can be found preparing taxes every Wednesday afternoon and Saturday from January to April.

Sherri Voigt, CGFM, CPA



CGFM Corner

Where to Find Information on CGFM CPE Requirements

AGA's [Interpretation of Continuing Professional Education \(CPE\) Requirements](#) booklet provides excellent CPE guidance, including examples of topics and subjects that qualify, criteria for CPE programs and measuring CPE hours.

Leaders Explain Why CGFM is Critical to Success

AGA asked its national leaders why maintaining the CGFM credential was so important to them. The responses reflected a variety of reasons, including improved service to citizens, a competitive advantage in the industry, a demonstrated commitment to continuous learning, and more.

See what these CGFM leaders had to say: **[Milton Barr](#), [David Bell](#), [Bobby Derrick](#), [Jeffrey Hart](#), [Joseph A. Kapelewski](#), [Tom Sadowski](#) and [Capt. Larry A. White](#).**



► **CGFM Helps PwC's Federal Practice Better Serve its Government Clients**

“Stale, old and dated,” was how **Carter Pate** described his knowledge of federal financial management when he was asked to reinvigorate the U.S. federal practice for PricewaterhouseCoopers LLP, but that was before he teamed up with AGA to earn his CGFM. Pate, a managing partner in Dallas, moved to Washington, D.C. in July 2004 after more than 20 years on the commercial side. Although he is a nationally known business restructuring expert, author, former CEO and chairman of several public companies and founding partner of his own national consulting firm, Pate still worried he was rusty on the specifics of governmental accounting. Pate asked around, looking for the best course of study to improve his skills. A number of government finance professionals suggested earning the CGFM credential. “It was exactly what I was looking for,” Pate said. [Click here to read the entire article.](#)

► **New PCB Member: Financial Managers Are Integral Part of Decision-making Team**

Capt. Larry White, CGFM, CPA, CMA, CFM, believes government finance professionals play a key role in managing their agencies that goes well beyond preparing required financial reports. It’s not enough to produce reliable and timely accounting information. Government financial managers must do a better job of explaining how program managers can connect accounting data, broader economic and nonfinancial data to make better operational decisions. White, the newest member of AGA’s Professional Certification Board (PCB), says AGA’s CGFM credential contributes to this goal by helping financial managers see the big picture. The three CGFM Examinations focus not only on the importance of clean financial statements, but a wide range of business issues covering all three levels of government. [Click here to read the entire article.](#)

Articles

AGA's FMSB Weighs in On Three Proposals

[AGA’s Financial Management Standards Board \(FMSB\) has sent comments to the Federal Accounting Standards Advisory Board \(FASAB\) on the exposure draft of the proposed *Statement of Federal Financial Accounting Concepts \(SFFAC\), Distinguishing Basic Information, Required Supplementary Information, and Other Accompanying Information.*](#)

The FMSB has also sent comments to the Governmental Accounting Standards Board (GASB) on its exposure draft of a proposed Statement titled, *Fund Balance Reporting and Governmental Fund Type Definitions*. The FMSB wrote, “Overall, it is a very good, needed and reasonable standard.” [Read the letter.](#)

The FMSB sent another comment letter to the GASB on its proposed revisions to Concepts Statement No. 2 related to Service Efforts and Accomplishments Reporting. The FMSB thinks that, even though there are limitations that can be potentially significant for a reporting entity, SEA reporting can provide essential information. [Read the letter.](#)

The GASB will hold a public hearing, scheduled for 9 a.m., Tuesday, **July 29**, at the Hilton Hotel, 255 Courtland Street, NE, Atlanta, GA, in conjunction with the PDC. AGA Executive Director **Relmond Van Daniker, DBA, CPA**, has been asked to testify. For more information, visit the [GASB website.](#)

Pension Funds Boosted By Oil; While Stocks Fall, Commodity Bets Are Paying Off

Soaring fuel prices that are burning a hole in the wallets of consumers are not only benefiting oil companies and Middle Eastern producers. They are also lighting up the investment returns of pensions funds, which millions of ordinary Americans are counting on for their retirement. California's public employees' pension fund, the world's largest, made its first investment of \$1.1 billion into oil and other commodities early last year, and since then, Calpers has seen it soar 68 percent. Fairfax County, VA, pension managers have enjoyed a 61 percent return from a similar move over the past 12 months, far outpacing any other segment of the fund's portfolio. Other pension funds are rushing to get in on the action as the prices of oil, precious metals, corn, uranium and other vital goods continue to reach record highs. Montgomery County, VA, officials are in the process of shifting 5 percent of their \$2.7 billion pension fund away from stocks and into commodities. These funds are part of a tidal wave of investment dollars that has flooded commodity markets in recent years and, critics say, contributed to the run-up in prices. —David Cho, *The Washington Post*. [Read more.](#)

Federal Accounting Corner

A Graphic Comparison of Proprietary and Budgetary Accounts; Effect on Financial Statements

The mapping of the Standard General Ledger (SGL) accounts to the financial statement lines assumes that proprietary account balances agree with their corresponding budgetary accounts balances. This is especially true for note 42 (formerly the Statement of Financing). The U.S. Department of Treasury's Financial Management Service has noted that several agencies still have not managed to keep these balances synchronized. This month, I decided to try to show the general relationship of different types of accounts graphically. The domain of each account (the size of the balance) goes horizontally, and the different accounts to be compared go vertically. —by Simcha Kuritzky, CGFM, CPA. [Read the entire column.](#)

Audit Finds Failings at Mass. Registry; Scores of Violators Allowed to Drive

The Massachusetts Registry of Motor Vehicles allowed thousands of repeat drunk drivers, chronic speeders, and even motorists convicted of vehicular homicide to stay on the road despite judges' orders that they lose their driving privileges, according to a report by the state auditor. The audit also found that Registry officials failed in another key area: auto excise taxes. The auditors said owners of luxury vehicles including Ferraris and Lamborghinis got away with paying a fraction of what they owed, costing municipalities millions of dollars. Rachel Kaprielian, who was recently named registrar, said in response to the audit that the Registry has been aware of its stumbles and is working on solutions. She called the failure to promptly suspend and revoke licenses of motorists convicted in the court system "the most immediate and pressing challenge" facing the agency. The review by State Auditor Joseph DeNucci found that the Registry allowed about 7,500 to 9,000 drivers to keep their licenses for two to four years after judges ordered that their driving privileges be suspended or revoked. —John C. Drake, *The Boston Globe*. [Read more.](#)

Budget Squeeze Spares Some States

Devil's Lake, ND, is as remote a place as there is in America. Canada lies about 60 miles to the north, Minnesota about 80 miles to the east. It is here, on farms such as Eric

Aasmundstad's, where you begin to understand why surprising North Dakota is so well-off compared to most of the rest of the country. Aasmundstad grows corn, soybeans and wheat on a 3,000-acre farm. Timely, soil-soaking rains have helped produce two years of bumper crops at a time of record high prices paid to farmers. More money in Aasmundstad's pocket—and those of his neighbors—ripples through North Dakota's economy in the form of additional sales and income taxes. The state is also blessed with an oil deposit estimated at 400 billion barrels that is producing at record levels. With the price of oil over \$140 a barrel, its no wonder North Dakota led the nation in personal income growth in first three months of the year. North Dakota represents the flip side of the budget crisis gripping many state and local governments as the July 1 fiscal year gets underway. Though nearly half of the states have had to deal with budget shortfalls and other troubles this year, North Dakota officials say their state has a \$740 million surplus, a staggering figure for a state that ranks 48th in population and whose general fund budget is about \$1.2 billion a year. —Stephen C. Fehr, Stateline.org. [Read more](#).

GASB Issues New Derivative Instruments Standard

The GASB has issued a new standard related to the recognition, measurement, and disclosure of information about derivative instruments entered into by state and local governments. GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, is designed to improve how these entities report information about derivatives, which are used by governments to manage specific risks or make investments, in their financial statements. The Statement specifically requires governments to measure most derivative instruments at fair value in their financial statements that are prepared using the economic resources measurement focus and the accrual basis of accounting. The guidance in Statement 53 also addresses hedge accounting requirements and is effective for financial statements for reporting periods beginning after **June 15, 2009**, with earlier application encouraged. The news release and a plain-language article on Statement 53 can be found on [GASB's website](#). Statement 53 (product code GS53) can be ordered through the GASB's order department at 800.748.0659 or online.

Discounted Audio Conferences Available

AGA is pleased to again announce a special offer exclusively for AGA chapters and **ADVANTAGE** group membership agencies. Purchase three, four or five AGA audio conferences as a package and you will receive a 10 percent discount on the early registration rate offered by the AGA. Purchase six, seven or eight AGA audio conferences for a 15 percent discount. Purchase nine or 10 audio conferences for a 20 percent discount. AGA plans to produce as many monthly audio conferences as possible each year that offer chapters and group membership agencies a cost-effective and convenient way to provide quality education for members and others in the government accountability profession.

This offer is available until **Aug. 15**. Contact [Maria Lucas](#) at 800.AGA.7211, ext. 308, to register. Download the [registration form](#). If you have any questions about any of the audio conferences, contact [Ray Harris](#), Director of Chapter Operations, at 800.AGA.7211, ext. 339.

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@dhs.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.



Southern Wisconsin Chapter Calendar of Events for 2008-2009

August 4, 2008 – Board Meeting, Old Country Buffet, Madison

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

September 25, 2008 – luncheon topic and location to-be determined

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

October 23, 2008 – luncheon topic and location to-be determined

November 3, 2008 – Board Meeting, Old Country Buffet, Madison

November 13, 2008 – luncheon topic and location to-be determined

December 1, 2008 – Board Meeting, Old Country Buffet, Madison

January 5, 2009 – Board Meeting, Old Country Buffet, Madison

January 22, 2009 – Annual Tax Update (Imperial Garden)

February 2, 2009 – Board Meeting, Old Country Buffet, Madison

February 26, 2009 – luncheon topic and location to-be determined

March 2, 2009 – Board Meeting, Old Country Buffet, Madison

March 26, 2009 – luncheon topic and location to-be determined

April 6, 2009 – Board Meeting, Old Country Buffet, Madison

April 23, 2009 – luncheon topic and location to-be determined

May 2009 - *Annual Spring Symposium - topics and location to-be determined*

May 4, 2009 – Board Meeting, Old Country Buffet, Madison

May 21, 2009 – luncheon topic and location to-be determined

June 1, 2009 – Board Meeting, Old Country Buffet, Madison

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



2008-09 Chapter Officers and Board Members

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

President Elect – Vacant

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

Research Coordinator & Liaison w/Other Profession Organizations – William Raftery, CPA

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

Awards Chair – Vacant

Early Careers Chair – Vacant

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