



Association of Government Accountants Denver Chapter



DECEMBER 2004

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From the President . . .

This is my last message for the year 2004, which sounds so strange. I hope everyone had a wonderful Thanksgiving and is looking forward to the Holiday season. Our December luncheon is on the 15th and we will have some give-a-ways and some other goodies that board members are preparing. It will be fun. The speaker, Dianne Ray, CPA, is wonderful and I know we will definitely learn some interesting things.

Karla Gomez-Meyer has been busy as your Director of Community Service. She has been running a food drive for the Disability Center for Independent Living and has already taken them food. They have been very appreciative. It's not too late to donate this food; we will continue to take it at our December meeting. There are so many people that are living on the edge and not able to make ends meet. Let's do our part to help our community.

(CONTINUED ON NEXT PAGE)

AGA's mission is to serve professionals in the government financial management community, by providing quality education, fostering professional development and certification, and supporting standards and research to advance government accountability.

FROM THE PRESIDENT - CONTINUED:

We are also doing a Toy Drive for Denver Human Services. Please bring a new toy to the December meeting and you will reduce your lunch price by \$3. If you are unable to make the meeting but would like to donate any toys, you can contact me. I will make sure we collect your toys.

Glenn Struempf is working on a great Professional Development Conference and has some volunteers from the State and local areas. We hope to have a very diverse and informative conference for you in April. Please start letting your friends and co-workers know to plan to come to this PDC.

At our December Board meeting the board decided to have a Member Appreciation luncheon in February. If you are an AGA member your lunch will be free; who ever said there's no such thing as a free lunch. Please put Wednesday, February 23rd on your calendar. We hope to see you there.

I know I've said this a lot, but if there is anything you expect or even want from your AGA leadership, please let me know. We are trying very hard to make this association mean something to you. I wish each and every one of you a very Happy Holiday season.

AccountingWEB Article:

Accounting Grads Face Best Job Prospects in Years

College graduates with accounting degrees are entering the working world at a good time—recruiters are eager, jobs are plentiful and offers are attractive. Demand for accounting services is way up because of new regulations spawned by corporate scandals such as Enron and WorldCom. Recruiters from PricewaterhouseCoopers plan to hire about 3,100 people off U.S. college campuses this year, up almost 19 percent from last year. Ernst & Young plans to hire 4,000 new graduates, increasing hiring about 30 percent this year. Jim Case, director of the career center at Cal State-Fullerton, says regional and local accounting firms are hiring, too. —*AccountingWEB*.

Interested.... <http://www.accountingweb.com/cgi-bin/item.cgi?id=100115&d=815&h=817&f=816&dateformat=%25B%20%25e,%20%25Y>

Denver Chapter of the Association of Government Accountants Presents:

Dianne Ray, CPA

**“Director of Administration and Local
Government Audits, Office of the State Auditor”
“Topic: Fiscal Health Tracking of Colorado Local
Governments—can we predict the future?”**

Dianne Ray is the Director of Administration and Local Government Audits for the Office of the State Auditor. The Local Government Audits Division is responsible for reviewing annually 2,400 local government audits. She is a licensed CPA in Colorado and Arizona. Dianne is also a member of the American Institute of Certified Public Accountants, the Government Finance Officers Association, the Colorado Society of CPAs, and the Colorado GFOA. She participates on the Governmental Issues Committee of the Colorado Society of CPAs. She holds an undergraduate degree in accounting from Arizona State University and is currently working on an Executive Master of Public Administration degree in the Graduate School of Public Affairs at the University of Colorado-Denver.

**Where: Radisson Hotel, Denver
Stapleton Plaza
3333 Quebec Street
303-321-3500**

**When: Wednesday, December 15, 2004
Check-in: 11:00 a.m. - 11:30 a.m.
Lunch served: 11:30 a.m.
Presentation: 12:00 – 1:00 p.m.**

**Cost: \$13 for members
\$15 for non-members**

CPE: 1 hour

Menu:

**“Pig Pickin Buffet”
BBQ Pulled Pork
Corn on the Cob, Baked Beans, Corn Bread
Tossed Salad
Brownies
Served with coffee, tea or water**

**Please RSVP no later than Friday, December 10, 2004 to L C Williams at
303-382-7638 or lcwilliams@kpmg.com.**

AGA Denver Chapter, November 8, 2004, Board Minutes

Attendees: Beth Machann, Pat Mulcahy, Glen Struempfler, Anita Moore, Peggy Schwarz, L.C. Williams, Karl Greve, and Jeff Hart

Meeting commenced at 5:30 p.m.

I. Approval of October Minutes – Minutes Approved

II. Treasurer's Report – Tom Wulf has accepted a position in California and has resigned as Treasurer. Pat Mulcahy has agreed to take on these responsibilities for the remainder of the year. Beth, Tom and Pat met immediately prior to the meeting and the Treasurer's book was handed on. Beth and Pat will arrange to meet at the bank to transfer signature authorization.

A bank account reconciliation as of October 31, 2004 shows the chapter has \$19,571.47 in the bank. In addition, the budget was distributed as of October 31, 2004.

III. November Meeting needs/December Meeting – L.C. will be out of town for the November GASB training. Beth, Glen and Pat will take care of registration. The chapter does not have a cash box and a couple other items necessary for meetings. Beth will buy a cash box, receipt book and name tags. About 20 people have registered, we were hoping for about 50. L.C. will be back in town on the afternoon of the 16th so will pay the Hotel when he returns.

L.C. requested some ideas for the December 15, 2004 meeting. Karl suggested Dianne Ray from the State. Beth will phone her. In addition, Jeff suggested Andrew Romanoff the new State Speaker of the House for either the January or February meetings. He will contact Andrew to see which date would work best. PDC. Jeff also suggested a CGFM recognition at the December meeting and charging CGFM's only \$10.

IV. PDC – Glen distributed a list of PDC ideas that the board members had sent to him. All suggestions were great. The Board decided to have a panel on Technology. The idea of a "Futurist" as a lunch speaker was brought up and if we can find a very economical one, then we will look into it. In addition, Peggy suggested a professor at Regis, James McDonald, to discuss fraud investigations.

The Board members will think up theme ideas and send to Glen. If Glen does not receive any ideas, he will come up with a theme by the next meeting. We want to send out information as soon as possible to members on dates and the theme.

V. Other – Jeff reported on a National Executive Committee conference call. The Focus Committee for the Name Change will be making a recommendation this week. A final decision will follow. Membership of the association was discussed. The challenge is to attract members with the field being made up of newer and younger people. One of the areas they are looking into is the suspensions (those members who have not joined again). National believes that the best way to find out what is happening is the personal contact. He also said that some chapters are finding that offering free monthly lunches has helped. The board decided to look into this.

Meeting Adjourned at 6:40 p.m.

Education Corner:

CPEs: Earn CPEs through on-line classes using SMART-PROS;
<http://education.smartpros.com/main> (Financial Management Network)

CDFM: Sponsored through ASMC. To apply:
<http://www.asmc certification.com>

CGFM: Sponsored through AGA. To apply:
<http://www.agacgfm.org/cgfm/cgfmdefault.aspx>

Career Corner:

Federal Civil Service employment: <http://www.usajobs.opm.gov/>

Denver City employment: <http://www.denvergov.org/Jobs/jobsm.asp>

Colorado State employment: <http://www.state.co.us/jobinfo.html>

AGA Community Service: AGA is sponsoring a food drive for the Living with Disabilities on 39th Avenue, Denver. Please bring your non-perishable food items to the monthly luncheon in December.

We are having a toy drive and will accept new toys to be presented to Denver Human Services for those that are less fortunate. If you bring a toy you will save \$3 off your lunch. That means \$10 for members and \$12 for non-members.

Community Program: Scholarship program will include two \$1000 scholarships.

Treasurer's Report: Pat Mulcahy presented the budget status as of 12/06/04. The chapter has a balance of \$19,395.36 in the bank account as of that date.

November income was \$1430.00 from the GASB training, expenses-to-date are \$870.41. Outstanding are the travel expenses incurred by the speaker.

We have two accounts receivables for a total of \$280.00.

CGFM Program Celebrates 10 Years of Success

(Article by Christina Camara)

When Jeffrey C. Steinhoff began planning for his 1993-1994 term as AGA National President, a new certification program was not on his priority list. Steinhoff, who is managing director of the Financial Management and Assurance Team at the Government Accountability Office, testified quite often before congressional committees at that time. One particular hearing stands out. "During the hearing, Senator James Sasser, the chairman, really asked a lot about my professional credentials and made a pretty big deal about me being a CPA, and that added a sense of greater reliability, and greater reliance on whatever I was saying," Steinhoff recalled. "I really didn't think those skills and that exam I passed quite some time before that was all that applicable to the issues I was discussing at the hearing."

Chairman Sasser had unknowingly planted a seed that would bloom into AGA's CGFM Program, which is celebrating its 10th anniversary this year. Steinhoff saw a strong need to recognize the "very rich portfolio of knowledge and skills" that are unique to government financial managers, who are dealing with complex issues that are quite different than those of the private sector.

Steinhoff looked at the many previous discussions and studies AGA had spearheaded on the subject. In 1992, a task force recommended dropping the idea, but he found the sentiment to be split nearly 50-50, so he began planning to introduce the concept to the National Executive Committee and AGA's chapters. Before he even started, though, he was warned by his colleagues at GAO that he already had a strong plan in place for his presidential term. They said he didn't need to take the risk of launching an initiative that was destined to be rejected by the membership. "I felt strongly that we were viewed as second-class citizens by some in the profession. We have special and unique skills and we shouldn't be second to anyone," Steinhoff said. "There was really nothing that recognized government financial managers out there at all."

Steinhoff generated interest in the concept and received a broad mandate from the membership to pursue it. He introduced the program at the 1994 Professional Development Conference. He hoped 4,000 would apply for CGFM status during the initial certification period, when the CGFM was granted based on education and experience. "There were those who said I'd have trouble getting 500," he said. Then began the deluge of mailbags to the AGA National Office. More than 13,000 became certified. Also, AGA's membership shot up by 7,000 over a few short years, and attendance at the annual PDC skyrocketed. The CGFM is considered AGA's most successful undertaking.

Continued: CGFM article

AGA's Professional Certification Board, which oversees the CGFM Program, developed a training program of three courses that help prepare CGFM candidates for the three examinations. The exams were computerized from the start, and the board has gone through the rigorous process of updating them to keep the material fresh and relevant to the issues financial managers face every day. Board members, who are experts in state and local government, federal accounting standards, the Yellow Book and more, have dedicated hundreds of hours of volunteer time to the CGFM Program. Many board members who serve today, including Steinhoff, helped develop the program 10 years ago.

Steinhoff is heartened by the growing list of governments that recognize the CGFM, but he also recognizes that establishing a new credential takes many years of effort at the grassroots level. The CGFM will become a more sought-after credential over time, as Steinhoff sees a future of continuing growth. "The CGFM is a mark of achievement, an indicator of excellence in our chosen field and it will only grow in value," Steinhoff said.

Current happenings:

Companies Say SOX Costs to Jump to \$5.8 Billion

Companies will spend \$5.8 billion on meeting Sarbanes-Oxley Act (SOX) requirements in 2005, even though executives initially believed the costs would be a one-time expenditure. According to a study by AMR Research, 36 percent of companies plan to increase spending, 52 percent will maintain current levels and 12 percent will decrease SOX spending. AMR Research surveyed more than 200 business and IT leaders on their Sarbanes-Oxley and broad compliance spending priorities. John Hagerty, vice president of research, said the "one-time" project is turning out to be an ongoing issue. Over the next year, AMR Research estimates expenditures will occur in these key areas: 42 percent on internal labor/headcount, 29 percent on outsourced services and 28 percent on technology. —*SmartPros*.

Want to read more....go to the website. <http://www.smartpros.com/x45870.xml>

National News:

***Improving Government Performance: Financial Managers Take Center Stage* Make Plans Now to Join Us for AGA's Third Annual National Leadership Conference, February 7- 8, 2005, in Washington, D.C.**

Sound financial management is more important than ever. Governments are grappling with a growing list of homeland security issues - ;how to keep our cities and our nation safe, and how to pay for it. In this environment, financial managers will take center stage, confronting these challenges and the difficulties of balancing the many competing demands on taxpayers' money. At the same time, governments are focusing more intently on performance to ensure that every dollar is spent wisely, and can be accounted for later. These developments are bringing financial managers into the spotlight.

The National Leadership Conference (NLC) will bring together the top leaders in federal, state and local government financial management, all of whom are struggling to make ends meet while providing an unprecedented level of services to the citizens they serve. This conference is a must for top government leaders - chief financial officers, inspectors general, state auditors, state comptrollers, state treasurers, city auditors, city finance directors and those who work with these top leaders to keep our governments fiscally sound.

The NLC offers unparalleled opportunities to make valuable professional contacts, discuss challenges, discover creative solutions and gain the tools you need to become more effective. Don't miss this opportunity to network with your peers and learn from the best in the government accountability business.

Registration is now open. Advance registration discounts apply to all forms received before January 14, 2005.

Current news:

Subject: Bill eliminating TSP open seasons headed to White House
By Tanya N. Ballard, tballard@govexec.com

The Senate passed legislation Tuesday that would allow federal employees to enroll in or make changes to their Thrift Savings Plan accounts at any time. The bill now awaits President Bush's signature.

The 2004 Thrift Savings Plan Open Elections Act (H.R. 4324), introduced by House Government Reform Chairman Tom Davis, R-VA., was approved by House lawmakers on Nov. 19.

Open seasons have been used since the inception of the 401(k)-style federal retirement savings plan to restrict TSP participants from altering their contributions too often. This year, federal workers could adjust their retirement contributions during two periods, the first ended June 30 while the second began on Oct. 15 and ends on Dec. 31.

"Today is a great day for federal employees," Davis said on the House floor Tuesday. "Every day, federal employees across the nation and around the globe perform critical duties that keep this nation running smoothly. Away from work, they experience all of life's events -- births or deaths in the family, new homes, new jobs, salary adjustments and so on."

According to Davis, once H.R. 4324 is enacted, "TSP participants can adapt their retirement savings to meet their changing circumstances."

The bill also includes a section devoted to enhancing financial literacy for federal employees. According to a Senate Governmental Affairs staffer, the financial literacy provision requires the Thrift Board to periodically evaluate the tools plan participants need to evaluate and compare financial products and services. The board must also report annually to the Senate Governmental Affairs and House Government Reform Committees on its TSP education efforts, and requires OPM to develop and implement a retirement financial literacy and education strategy for federal employees.

"As for all Americans, financial literacy education is essential for federal employees to develop a base of knowledge so that they can participate effectively in the modern economy," Sen. Daniel Akaka, D-Hawaii, said following the bill's passage. "I believe that provisions in this bill will give federal employees the tools needed to empower them to make informed decisions regarding their retirement and financial security."