

ASSOCIATION OF
GOVERNMENT
ACCOUNTANTS

AGA

NEWSLETTER

WASHINGTON CHAPTER

MAY 1987

THURSDAY May 7, 1987 LUNCHEON MEETING TO FEATURE



JACK FAWSETT
Assistant Deputy Inspector General
Department of Defense

Topic

*AGA—Where Are We and
Where Are We Going?*

at the

SAM RAYBURN HOUSE OFFICE BUILDING
Room B-338, "C" and South Capitol Streets
(Near Capitol South Metro Station)

Social	
Period	11:15
Luncheon	12:00
Cost	\$13.00 (Members with reservation) \$15.00 (Non-members and No Reservation)

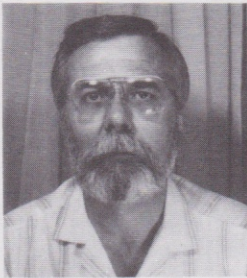
For Luncheon Reservations Call 548-7040 (24 HOUR SERVICE)

Telephone Reservations Accepted Thru May 5, 1987

NON MEMBERS WELCOME

All Reservations Guaranteed

PRESIDENT'S MESSAGE



Gary Palmquist

My term as Chapter President will end June 30. The record of accomplishments contains good news and bad. My primary goal to increase membership was very successfully accomplished, largely due to the efforts of Dan McGrath, our membership director. The Washington Chapter remains, by far, the largest AGA Chapter in the country. We have successfully retained a very high percentage of past members and added an impressive number of new members this year. I thank Dan and all of you for giving us the Chapter size and strength to provide quality services.

Foremost among those Chapter services is the very fine variety of educational events put together by Diane Bray and Doris Chew, our education co-chairs. They have worked particularly hard to bring mini-seminars and TGIF lunchshops to your workplaces around town. I think this is a valuable Chapter service for which I thank Doris and Diane.

I would also like to thank Joyce Shelton for her operation of the employment referral program. I have received very complimentary feedback from many participating members about Joyce's program.

Another bright spot this year was the effort made by our Newsletter editors Lee Beaty, Anna Wilson, and Herb McLure. This team found us a new and less expensive printer and developed simplified publication procedures which will make it easier for the Chapter to find and use new Newsletter editors. My only disappointment is that we did not complete a study with recommendations concerning the economic and ethical ramifications of accepting advertising in the Newsletter.

I would like to thank Judith Boyd and her committee for their fine work making the arrangements for our monthly meetings. Through no fault of Judith's, I have to admit that I have been disappointed in the meeting facility this year. Our inability to get into the meeting room on time, the high cost and low quality of food, and now the

failure to offer an open bar have all prompted us to begin a search for a new meeting place.

Another promising effort this year is that undertaken by Joe Rothschild. Joe's mandate was to make sense of our student recognition/awards program and enhance our relations with professional and academic organizations. I'm satisfied that Joe's efforts will lay the groundwork for Chapter activities for years to come.

Other Chapter officers deserve special mention for their contributions this year. A well done was earned by our Secretary, Jean Bowles; our Treasurer, Vern Isenberg; our Past President, Susan Lee; our Programs Director, Loretta Shogren; our Relations with National Office Director, William Kendig; our Research and Information Director, Charles McAndrew; and our Chapter Recognition Chair, Judith Parson. There are others who help the Chapter each year who I am forgetting to mention. Nevertheless, I'd like to give a special thanks to a few people whose assistance was particularly supportive—to Adam Shaw, Terry Conway, Ron Lynch, and Virginia Robinson.

As you may recall, I tried early in the year to rearrange our luncheons so that the speaker could make his/her presentation before we ate. That can be chalked up as a fiasco. Another innovation which had mixed results was combining certain related committees and naming two people to co-chair certain activities. I still believe the objective to reduce the burden on any one volunteer is valid. Some of my unaccomplished goals include creating an improved membership application form and a Chapter recruitment brochure and establishing an extensive network of agency contact persons who could assist in disseminating Chapter news and information.

Overall, I would say we had a good year, but not a remarkable year. I thank each of you for your support and the opportunity to serve as President of the Washington Chapter.

DID YOU KNOW . . .

(Continued from page 8)

development functions. The subsystem is comprised of four major segments that deal with investment (procurement appropriations), revolving fund, operational, and entitlement accounting. The subsystem will improve financial service, reduce paper work, and enhance cash management throughout the Material Command community. For additional information, contact Mr. Jim Taras, AV 69903576 or FTS 335-3576.

**ASSOCIATION OF
GOVERNMENT
ACCOUNTANTS
WASHINGTON
CHAPTER
EXECUTIVE
BOARD 1986-1987**

Officers

President

Gary Palmquist, 233-2472

President-Elect

Terry Conway, DOD, 697-7296

Secretary

Jean Bowles, State, 524-1188

Treasurer

Vern Isenberg, Agriculture, 447-6090

Past President

Susan Lee, Financial Management
Service, 535-9693

Committees

Membership Services

Daniel McGrath, Financial
Management Service, 566-3717

Programs

Loretta Shogren, Justice, 633-2466

Newsletter

Lee Beaty, GAO, 275-9417
Anna Wilson, JFMIP, 376-5415
Herb McLure, GAO, 275-4905

Employment Referral

Joyce Shelton, DOT, 366-1306

Meetings

Judith Boyd, DOD, 697-8282

*Cooperation with Professional and
Academic Organizations*

Joseph Rothschild, HUD, 426-6493

Relations with National Office

William Kendig, Interior, 343-4701

Research, Professional Notes

Charles McAndrew, Navy, 695-6615

Awards

Mike Merson, Financial Management
Service, 436-6840

Chapter Evaluation

Ronald Lynch, Arthur Anderson,
862-3324

Chapter Recognition

Judith Parson, Financial Management
Service, 566-9420

Education

Diane Bray, DOD 695-0839
Doris Chew, JFMIP, 376-5415

Special Projects

Adam Shaw, DOD, 697-0585

Public Service

Paula Rubin, Financial Management
Service, 535-9696

**ABOUT OUR SPEAKER THIS MONTH
JACK FAWSETT**

Some key points on Jack's work experience and professional background include:

- Currently DOD's Assistant Deputy IG for Program Planning, Review and Management and deeply involved in developing an IG-wide management information system and selection and procurement of software and micro computers for use in investigations, inspections and audits.
- Began in 1956 as a junior auditor with Army Audit Agency.
- Since late 1950s and until 1979, specialized in supervising or managing multilocation audits of logistics, research and development, and procurement. Since 1979, involved in audit programming and audit policy.
- Served 3 years in Paris as Assistant District Manager, 2 years as Agency Staff Manager; 2 years as Director, Plans, policy and Special Projects. Also detailed to House Legislation and National Security Subcommittee.
- Instrumental in formulating and writing USAAA policy on mission oriented audits, performance analyses and planning, and flash reporting. Established agency policy on conducting expanded scope audits and reporting audit results in accordance with GAO standards.
- Was responsible for Internal Audit Policy and Oversight within DOD. Issued 10 Internal Audit Policy memorandums, conducted Quality Assurance Review of the IG's Audit Group, and issued a DOD Internal Audit Manual and several DOD Directives on Audit Policy and Contracting.
- Organized DOD and PCIE Microcomputer Users Groups.
- BCS and MCS—Strayers College of Accountancy.
- Extensive formal training in ADP, economic analyses, statistical sampling, internal control evaluation, and management concepts. Completed two years Federal Executive Development Program.
- CPA and CIA.
- Frequent lecturer and workshop leader on auditing at universities, audit agencies, and professional associations.
- Active in AGA, Regional Vice President of Capital Region, 1982-83.
- 1985 Director for Educational Publicity, Northern Virginia Chapter, and Workshop Chairman—1985 PDC Committee.
- AGA National President Elect, 1985-86.

NOTICE

We still need a lot of volunteers to serve as Agency Liaisons. If interested contact Jim Goulden on 267-0521.

Application for Membership

Association of Government Accountants

Section I

NAME OF APPLICANT: Mr. _____ Ms. _____
 Mrs. _____ Miss. _____

MAIL ADDRESS: _____
 STREET NUMBER STREET NAME
 CITY STATE ZIP

OFFICE TELEPHONE _____ HOME TELEPHONE _____
 AREA CODE NUMBER EXTENSION AREA CODE NUMBER EXTENSION

Section II

TYPE OF MEMBERSHIP APPLIED FOR FULL ASSOCIATE SPECIAL ASSOCIATE

I wish to join the Washington, D.C. Chapter.

Section III

EMPLOYER _____ Government: Federal State Local
 Private Employer Academia Other _____

TITLE OF MY POSITION _____

TYPE OF WORK PERFORMED: Accounting Auditing Budgeting ADP Other _____
 DESCRIPTION

Section IV

EDUCATIONAL BACKGROUND:

SCHOOL	LOCATION (STATE)	YEAR FROM TO	MAJOR	DEGREE

Section V

ACCREDITATIONS AND CERTIFICATIONS:	STATE	CERTIFICATE NUMBER	YEAR
<input type="checkbox"/> CPA			
<input type="checkbox"/> CIA			
<input type="checkbox"/> CMA			
<input type="checkbox"/> CISA			

Section VI

FINANCIAL MANAGEMENT EXPERIENCE: (List most recent experience first) Completion of this section is optional if applicant has one or more of certificates indicated in Section IV, completion for more than 3 years experience is optional if applicant has listed a 4 year degree in a financial management field in Section IV, and listing more than 6 years experience is optional for all applicants.

EMPLOYER	LOCATION	TITLE	POSITION SERIES AND GRADE	FROM TO	MONTH/YEAR

Date of application _____ Signature of applicant _____

Sponsor (optional) _____ NAME (PRINT) _____

SPONSOR'S AGA MEMBERSHIP NUMBER _____

Remitted herewith is \$ _____

INFORMATION FOR APPLICANTS ELIGIBILITY REQUIREMENTS

- FULL MEMBERSHIP— (DUES \$42.50)** an individual who has a minimum of 6 years experience in accounting, auditing, budgeting, or other financial management fields. A graduate of an accredited college or university with a major in the financial management or allied fields may substitute education for experience. A four-year degree counts as 3 years of experience. Holders of CPA, CMA, CIA, and CISA certificates are qualified for full membership without further experience requirements.
- ASSOCIATE MEMBERSHIP— (DUES \$30.00)** a colleague that has less than the experience requirement for full membership. Except for holding an elected national office, all other services and privileges of membership are provided. It is anticipated that associate members will become full members through additional experience.
- SPECIAL ASSOCIATE— (DUES \$16.00)** only for junior associates in their first year of employment and full-time students.

UPCOMING EVENTS

Don't forget—the May 7 luncheon will feature, in addition to National President Jack Fawsett, the Chapter's annual award presentations.

Summer will be on us before you know it. It's time to get cracking—if you haven't already—on plans to attend the June 29-July 1 annual Professional Development Conference—in New Orleans!!

Still lots of spaces for the Chapter's May 18 workshop on Proposed Revisions to GAO Auditing Standards (the Yellow Book), at GWU's Marvin Center. \$25 fee includes really great buffet lunch. See page 7 of this newsletter for details and registration form.

May is busy month for Jack Fawsett. He will also address Montgomery-Prince George's Chapter at its May 13 monthly dinner meeting at the Greenbelt Hilton. The meeting will also feature MPG's annual award presentations. Call Richard Kaplan, 366-1405, or Joe Giannantonio, 755-4721, for details or reservations.

The AGA Northern Virginia Chapter's May 19 monthly dinner meeting will feature its annual awards presentation. Location is the Ramada Inn (I-395 & Seminary Road), Alexandria. Call JoEllen Kowalski, 275-9412, for details and reservations.

The Joint Financial Management Improvement Program (JFMIP) is sponsoring the third in its series of forums on "Implementing Off-the-Shelf (OTS) Financial Systems." It will be held on Wednesday, May 27, 9:00 a.m. to 12:00 noon, at the Office of Personnel Management Auditorium, 1900 E Street, NW, Washington DC. This forum will involve the discussion of salient issues concerning the use and implementation of OTS software for financial systems. Seven or eight software vendor representatives will be present at the forum to address the issues. There is no charge for the forum; however, registration is required.

Contact JFMIP on 376-5415.

EXECUTIVE COMMITTEE MINUTES

by Jean Bowles, Chapter Secretary

The Executive Committee met on March 26, 1987.

National's \$1,000 Scholarship Award needs to be published more widely in our chapter. Surely we have members meeting the criteria which is AGA member or dependent of a member majoring in accounting and financial management field.

Dan McGrath reported that the Chapter may meet all the membership goals for the year if everybody makes a final push.

Michael Merson presented names of awardees:
Achievement of the year—
Bruce Michelson (GAO)

Distinguished Leadership—

Richard Kusserow (HHS)

Chapter Service—

Dan McGrath (Treasury)

Chapter Education Service—

David J. Holland (Interior)

McGrath moved that they be accepted, Terry Conway seconded and the motion carried.

Paula Rubin reported that she was appointed too late to solicit VITA volunteers prior to the prerequisite IRS training sessions. There was some discussion on what constitutes proper public service activities and how they benefit our members. Susan Lee pointed out that our use of House of Representatives facilities through Mr. Fauntroy is based on the premise that we provide public service to the community.

Verne Isenberg reports that \$400 a month is being saved on the newsletter, under the new publishing arrangement.

April Ballots will be counted by Terry Conway, Doris Chew and Jean Bowles.

Joyce Shelton is seeing lots of interest in job referrals. It was pointed out the National charges \$20 for six months for this service which we provide at no charge.

MEMBERSHIP HAS AN OUTSTANDING YEAR

by Dan McGrath

Director, Membership Services

As this final newsletter goes to press we are completing the second year in a row in which both our retention and recruitment rates have continued to move upward. In addition for the first time in a number of years we had a net increase in membership. Many thanks to all of you who participated in this year's recruitment campaign.

The single factor that contributed most to our success was the Summer of 86 initiative by which we reversed the long-standing tradition of little or no recruitment activity during the summer months. Accordingly, let's not lose the momentum we have picked up in the last two years. The Membership Services Committee would appreciate your continued support during the Summer of 87.

In pursuing applicants remember you do not have to be an accountant or auditor to belong to AGA. We are a professional association of financial managers. We are organized to serve any individual studying or working in the financial management or allied fields.

To facilitate your efforts a copy of the membership application is reprinted elsewhere in this newsletter. Please feel free to reproduce it if you so desire. Those wishing to make your pitch using the full application brochure may pick one or more up at our regular May luncheon meeting or may obtain them by calling me on 566-3717 at any time.

NATIONAL AGA JOINS THE PUBLIC EMPLOYEES ROUNDTABLE

by William L. Kendig

On February 12, 1987, the National Executive Committee of AGA made a decision to join the Public Employees Roundtable (PER). Previously, the Washington Chapter was the only AGA member of the Roundtable. The purpose of PER is to strengthen American public service by carrying out a three-part mission, as follows:

- (1) To inform American citizens of the quality of people in Government and the value of the services they perform.
- (2) To develop a stronger esprit de corps among public employees and in turn improve performance and productivity.
- (3) To encourage interest in Civil Service careers.

Basically, PER is working to improve the image of Federal employees, both among the public and among Federal employees. PER is an "overlay" organization composed of such other organizations as the American Society for Public Administration, Federal Executive Institute Alumni Association, Federal Managers' Association, National Association of Retired Federal Employees, Senior Executives Association, and other groups. Examples of PER activities are (1) convincing the Congress to designate "Public Service Recognition Week" during the first week in May, (2) presenting Federal, state, and local public service excellence awards, (3) working through schools to encourage student interest in public service careers, and (4) granting scholarships to outstanding students seeking careers in public service. PER is also sponsoring a national multimedia campaign through articles on public employee achievements and public service announcements on radio and television.

All in all, AGA's joining of PER is a significant step forward in enhancing the image of Federal employees in general and AGA members in particular. I have been named as AGA's representative to PER, with Joe Rothschild (HUD, IG staff) serving as alternate. Anyone with suggestions concerning PER activities can contact me on 343-4701 or Joe Rothschild on 426-6493.

FMS EXPANDS DEPARTMENT OF EDUCATION PAYMENT SERVICES

Since its inception in 1976, the Treasury Financial Communications System (TFCS) has met the needs of a growing family of government agencies that require a secure and rapid means of moving funds. TFCS has provided Treasury with an excellent mechanism for accelerating receipts and con-

trolling disbursements while providing agencies with faster, more uniform financial data.

However, faced with an expanding volume of payments along with increased demands for financial data reporting, the Financial Management Service (FMS) recently sought ways to relieve the additional processing burden upon the TFCS, yet still provide agencies with high quality service at a reasonable cost.

The Orkand Corporation of Silver Spring, Maryland, was enlisted to analyze agency payment requirements and various suitable mechanisms as alternatives to TFCS. Based, in part, on Orkand's recommendations, staff members of FMS's Payment Management Division, Field Operations, and the Federal Reserve discussed direct access to a Federal Reserve Bank (FRB) by a Treasury-disbursed agency to make certain payments via electronic funds transfer (EFT). FRB Richmond, for example, is a member of an automated clearing house (ACH) network for EFT and processes agency payments such as employee salaries, social security benefits, and others.

The ACH network, designed to handle large volumes of transactions, provides one-to two-day service (three days to distant points) at a fraction of the cost of funds transfers via TFCS.

These parameters fit the requirements of Department of Education plans to convert recipients nationwide from a paper-based payment system to an EFT environment. Because FMS-processed ACH activity did not meet Education's timing needs, FRB Richmond and Education established, with FMS' concurrence, a joint ACH venture using the Fed's Federal On-Line Exchange (FOX) system to transmit grant/program payments files directly from Education to FRB Richmond via IBM PC/AT equipment.

Education has also contracted a service which gathers and filters recipient requests for funds. Requests are batched and transmitted daily to an off-site data base for further review. Payments which are generated from requests are transmitted directly to FRB Richmond. For accounting purposes, expenditures and disbursements are reported to FMS by Education and FRB Richmond.

Direct access to the Fed for payment activity opens up another avenue for certain agencies by offering a safe, efficient and inexpensive mechanism for moving funds. Direct access is currently being considered for applications where FMS cannot provide the level of service that a particular agency requires and where such an arrangement is beneficial to the Federal government as a whole. It also allows the TFCS to better serve its primary purpose, that being to move emergency and large dollar transactions on a real time basis.

AGA WASHINGTON CHAPTER

presents a workshop on

PROPOSED REVISIONS TO GAO AUDITING STANDARDS (YELLOW BOOK)

Speaker:

BILL BROADUS
Group Director
Accounting & Financial Mgmt.
General Accounting Office

Cost: \$25.00 WDC Members
\$30.00 Nonmembers

Location: George Washington University
University Club, Marvin Center
800 21st Street NW
Washington, D.C.

Date: Monday, May 18, 1987

Time: 9:00 a.m.--1:00 p.m.
A hot buffet lunch will be served.

Foggy Bottom Metro Stop

REGISTRATION FORM--YELLOW BOOK

NAME: _____

Please remit fees and completed form to:

TITLE: _____

AGA Workshop

ORGANIZATION: _____

Attn: Anna Wilson

ADDRESS: _____

Joint Financial Mgt Improvement Program

666 Eleventh Street NW, Suite 705

Washington D.C., 20001

CITY: _____ STATE: _____

Questions: Contact Anna on 376-5415

ZIP CODE: _____ PHONE: _____

WASHINGTON CHAPTER MEMBER: YES _____ or NO _____

Cancellation Policy:

____ Invoice agency (Authorization enclosed)

Cancellation fee of \$15 will charged unless notified in writing by May 11.

____ Fee enclosed (Payable to AGA)

DID YOU KNOW . . .

By Charles McAndrew

This month we are featuring the **Army's accounting system improvement program**. The Army is in the midst of a long-term project to improve its accounting system. The goal is to achieve a DOD and GAO-approved, highly automated system that maintains adequate internal controls and better serves the Army's needs. Major projects include new departmental and field-level subsystems in the general accounting and pay areas, with implementation already started and planned to continue on a phased basis.

Some of the key features of the eight new subsystems follow:

Retired Pay System

This centralized subsystem is in operation at the Army's Finance and Accounting Center in Indianapolis. The subsystem computes pay for retired military members and surviving annuitants.

Corps of Engineers Management Information System-Finance and Accounting

This automated subsystem operates at 22 accounting offices and accounts for and reports on civil, military, and revolving funds in support of the Engineers' military construction and civil works functions. The subsystem uses single source data entries to update and maintain records for financial, cost, general ledger, and object class reporting.

Program and Budget Accounting System

This subsystem, through a network of remote terminals with on-line interactive error processing capability, will (1) issue program and fund authorizations to and receive financial status reports from Army field finance and accounting offices worldwide, (2) produce departmental reports, and (3) satisfy information requirements of the Army staff and major Army commands.

Military Pay System

This centrally controlled, computerized subsystem will directly interface with the Army's personnel system, general accounting system, retired pay system, and the Veteran's Administration benefit system. The subsystem will provide "real time" processing and is an important first step toward achieving a "paperless" file procedure.

Civilian Pay System

This subsystem will accommodate all civilians employed by the Army, including the foreign nationals of several countries. The subsystem features an interface capability with the standard Army personnel system and the use of remote terminals to reduce time required to service pay accounts. The modular system design will improve responsiveness to legal and regulatory changes and reduce the cost of system maintenance.

Standard Finance System

This will be the Army's field-level accounting and reporting system for servicing posts, camps, and stations. It will automate the functions of travel entitlements, commercial accounts, disbursements and collections, general accounting, and cost accounting.

Standard Financial Inventory Accounting System

This subsystem will provide improved coverage and accounting over inventories. It will replace a number of unique retail stock fund accounting subsystems and interface with the emerging family of standard Army supply and maintenance systems.

Army Material Command Accounting System

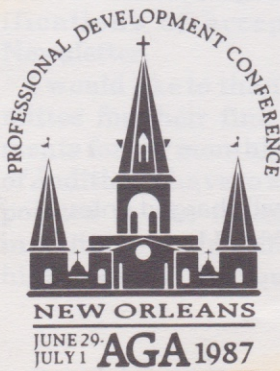
This is the standard accounting subsystem used to do the proprietary accounting and budget execution and reporting for the Army Material Command's wholesale logistics and research and

(Continued on page 2)

NEWSLETTER

PUBLISHED BY THE WASHINGTON CHAPTER
ASSOCIATION OF GOVERNMENT ACCOUNTANTS
P.O. BOX 423
WASHINGTON, D.C. 20044
MAY 1987

First Class Mail
U.S. Postage
Paid
Merrifield, VA.
22116
Permit No. 485



FIRST CLASS MAIL —
PLEASE EXPEDITE