

ASSOCIATION OF  
GOVERNMENT  
ACCOUNTANTS

# AGA

# NEWSLETTER

WASHINGTON CHAPTER

FEBRUARY 1988

**THURSDAY** February 4, 1988

**LUNCHEON MEETING TO FEATURE**

**CONGRESSMAN  
JOHN KASICH**



**Topic  
Debt Collection &  
Government Waste—  
A View From  
the Congress**

at the

**TOUCHDOWN CLUB**  
2000 L St., N.W.  
(Near Farragut West Metro Stop)

Social Period	11:30 (Cash Bar)
Luncheon	12:00
Cost	\$15.00 (Members) \$17.00 (Non-members)

**Reservations Required  
(Limited to first 125 callers)**

**Call 649-4399 NLT Feb. 2**

**NON MEMBERS WELCOME**

**Meeting Schedule: Mar. 3 • Apr. 14 • May 5**

# PRESIDENT'S MESSAGE



**Diane M. Bray**

## News Bits

I would like to use the President's Message column this month to update members on several news items.

- *Washington Chapter Bylaws*

In the January Newsletter, we had hoped to include a ballot for members to vote on changing the Washington Chapter bylaws. Unfortunately, due to unforeseen delays in printing the ballots, we were unable to provide them to you. The ballots have been printed and one is enclosed with each newsletter that is mailed to a Washington Chapter member. On page 4 of this Newsletter is a reprint of the article that appeared in the January issue. The article summarizes the proposed change to the bylaws. Since this is an important issue, I ask that you carefully consider it and vote appropriately.

I would like to thank Dan McGrath for serving as the temporary Chairperson of the Bylaws Committee and the members that served on the committee — Ken Winne, Bob Pewanick, and Tom Mundell for their hard work. The Chapter needs to establish a permanent Bylaws Committee. If you are interested in serving as the Chairperson or as a member of this committee, please contact me.

- *February Luncheon*

In February, the Washington Chapter will co-host the meeting with the American Society of Military Comptrollers. Our speaker, Congressman John Kasich, is expected to draw a large crowd. The seating capacity at the Touchdown Club is 250 people. To equally accommodate both organizations, we have agreed to limit the number of people for each organization to 125. Registration will be on a first come, first serve basis. I encourage you to register early for this event.

- *Education Events*

Three excellent education events are planned

for March. The Chapter is planning a half day session on off-the-shelf software for financial management systems. Also, we are scheduling a session on Federal Managers' Financial Integrity Act implementation. Further, the Joint Financial Management Improvement Program will be sponsoring their annual conference on March 9. Additional information and registration procedures for the conference are on page 7 of this month's newsletter.

To better inform you of future educational events, Lee Beaty and Herb McClure, our Newsletter editors, are adding as a regular feature a column which lists these events.

- *National Chapter Awards*

Nominations for National and Chapter Awards are due to the AGA National Office by March 11. The awards program consists of six awards that were established to recognize individual professional accomplishments. Of the six awards, three are available to only AGA members and three are open to all individuals meeting the award criteria.

Not Restricted to AGA Membership:

*Distinguished Leadership Award*, conferred on individuals in government service (federal, state, or local) who have provided notable sustained outstanding leadership contributing to improvements in financial management over a period of years.

*Achievement of the Year Award*, according national recognition to individuals for leadership or outstanding achievement in improving financial management in government (federal, state, or local) during the year.

*Education and Training Award*, presented to individuals who have made significant contributions to the education and training of government financial managers.

Restricted to AGA Membership:

*Robert W. King Award*, established in honor of the Association's founding president, made to a member of the Association for significant distinguished service that enhanced the Association's national prestige and stature.

*Special Achievement Award*, according national recognition to individuals who have received a chapter award for recent notable contributions in financial management.

*Chapter Service Award*, made to AGA members in each of the Chapter Recognition Program Groups for outstanding contributions to the development and enhancement of the chapter, bringing substantive recognition and credit to chapter activities.

Cont. on page 6

**ASSOCIATION OF  
GOVERNMENT  
ACCOUNTANTS  
WASHINGTON  
CHAPTER  
EXECUTIVE  
BOARD 1987-1988**

**Officers**

*Acting President*

Diane Bray, DOD, 695-0839

*Secretary*

Deatrice Russell, Financial  
Management Service, 535-9693

*Treasurer*

Rolf Wold, DOT, 366-9874

*Past President*

Gary Palmquist, 233-3411

**Directors**

*Cooperation with Professional  
and Educational Institutions*

Mike Merson, Financial  
Management Service, 436-6842

*Education*

Sue Fields, NIH, 496-3417  
Bill Henderson, EPA, 382-4467

*Employment Referral*

Joyce Shelton, DOT, 366-1306

*Membership Services*

Dan McGrath, Financial  
Management Service, 566-3717

*Newsletter*

Lee Beaty, GAO, 275-9532

*Programs*

John Simonette, GAO, 275-9454

*Relations with National Office/  
Special Projects*

Adam Shaw, DOD, 697-0585

*Research, Professional Notes*

Chuck McAndrew, Navy, 696-6896

**Committee Chairs**

*Awards*

Mary Lee Mason, Financial  
Management Service, 535-9693

*Chapter Evaluation*

Ron Lynch, Arthur Anderson  
& Co., 862-3324

*Chapter Recognition/Competition*

Jean Bowles, State, 875-6923

*Meetings*

Judith Parsons, Comptroller  
of Currency, 447-1721

*Membership Services (A'sst)*

Jim Goulden, Coast Guard,  
267-0220

*Newsletter*

Herb McLure, GAO, 275-5100

*Public Service*

Paula Rubin, Financial Management  
Service, 535-9696

## ABOUT OUR SPEAKER THIS MONTH

### CONGRESSMAN JOHN KASICH

A leader in the fight to eliminate government waste.

A respected voice on defense issues.

An effective fighter for the needs and concerns of his constituents.

Congressman John Kasich has earned a reputation for all these things and more since coming to Congress to represent central Ohio's 12th District in 1982.

Now serving his third term on the House Armed Services Committee, Mr. Kasich is Vice Chairman of the Committee's Readiness Subcommittee. This panel has jurisdiction over the preparedness of U.S. troops, including anti-terrorists forces. It also oversees the National Guard, the Reserves, the operation of military bases and pay for civilian Defense Department employees. The Subcommittee has jurisdiction over \$90 billion in defense spending, or about one-third of the overall defense budget.

From his seat on the Armed Services Committee, Congressman Kasich has played a major role in reforming Defense Department spending practices. He was a leading force in the Committee's investigation of over-priced spare parts, and has seen several of his proposed reforms in this area become law.

In addition, Mr. Kasich serves on the Armed Services Committee's Investigations Subcommittee, and has served on the Committee's Special Operations Panel. This panel was formed to recommend improvements in our special operations forces, including the military's counter-terrorist units. He also served on special panels formed to review Pentagon procurement policies and implementation of reforms proposed by the Grace Commission.

Improved management of government programs in general and the elimination of wasteful spending have also been among Mr. Kasich's top priorities. It was Congressman Kasich who first discovered that the federal government was owed some \$64 billion in overdue debt, and proposed a massive overhaul in the way government debt is managed and collected. Primarily due to his efforts, both the Administration and Congress have shown increased interest in this issue. Mr. Kasich authored language requiring the Defense Department to use private collection agencies to recover overdue funds and to report the names of delinquent debtors to local credit bureaus. He was also a prime mover behind Congressional approval of a pilot program allowing private attorneys to handle the government's delinquent debt litigation.

Congressman Kasich has also proposed and vigorously supported policies that will reduce interest rates and allow our economy to grow at the greatest non-inflationary rate possible.

Mr. Kasich was born in May 1952, and grew up in McKees Rocks, Pennsylvania. He graduated from Ohio State University in 1974 with a degree in Political Science. In 1975, he began working as a State Senate aide, a job that led to his decision to successfully run for the Ohio Senate himself in 1978.

Cont. on page 4

## Have We Lost One of Your Colleagues?

Although membership renewal this year is running better than last year at this time, there are still a significant number of our colleagues who have not paid their dues for the year beginning October 1. As a result their benefits ceased after the publication of last month's newsletter. National office is sending follow-up billings to these individuals and the Chapter's Membership Services Committee has just mailed a letter to each member on the suspense list. If you are or become aware of anyone in this group please encourage them to re-up.

## Proposed Bylaws Change

Recently Terry Conway, President of the Washington Chapter, left Government service. Article VI, Section 1.c. of the Chapter's bylaws reads in part as follows:

"No member shall be nominated for or serve as President or President-Elect of the Chapter unless such otherwise eligible person is an employee of a government (Federal, state, municipal or local) or is a retired Government employee not presently working for a commercial organization. (Approved May 1979)..."

Accordingly, President Conway has temporarily stepped down from the Presidency while the issue of employment status of the President is brought before the membership as a whole. The reason why the Chapter Executive Committee (CEC) feels it essential to poll the membership is that the members who have come forth and informally expressed an opinion appear equally divided for and against a change.

Therefore, in accordance with Article XIV of the Chapter bylaws the CEC is requesting all members to express their preference on how this situation, and any future occurrence of this nature should be handled. Votes on the following proposal must be received by February 29, 1988.

### Proposal

In the first sentence of Article VI, Section 1.c. the words "or serve as" would be deleted, thus removing restrictions as to employment for an otherwise eligible member to serve as President or President-Elect, but, retain all current restrictions as to employment at time of nomination. This proposed amendment would be retroactive to July 1, 1987.

Each member should vote "Yes" if in favor of this amendment "No" if not in favor.

At the conclusion of the balloting if the proposal is approved, President Conway will reassume the duties of President. If the proposal is rejected, President Conway would resign and President-Elect Bray would become President.

If you have any questions or wish to discuss any particular aspect of the proposal, please contact one of the following members of the Bylaws and Procedures Committee: Dan McGrath (Chair) 566-3717, Bob Pewanick 275-9482, Tom Mundell 632-0162, or Ken Winne 376-5415, or if you prefer, one of the chapter's current officers or directors.

There is a ballot included with this newsletter, in the form of a postage paid postcard, for you to use in voting on this proposal. Please take a few moments to study the proposal and then vote!

*Submitted by Dan McGrath.*

## CHAPTER OFFICERS NOMINATED

The Nominations Committee, with the approval of the Chapter Executive Committee, has nominated the Chapter officers and directors for 1988-1989. The nominees are: President-Elect—**Doris Chew**; Secretary—**Judith Boyd**; Treasurer—**Joel Dorfman**; Directors—**John Cherbini, Roger Feldman, Larry Good, Dave Holland, Carol Lynch, Sam Mok, Judith Parsons, Joe Rothschild, Mike Wenk, and Anna Wilson.**

Additional nominations for any of the positions may be submitted by petition signed by at least 50 members in good standing. Any such petition must be filed with the Secretary no later than February 29. Ballots will be mailed to Chapter members with the April newsletter. The members of the Nominations Committee were: Ken Winne, Susan Lee, Ron Lynch, Anna Wilson, John Simonette, and Diane Bray.

*Submitted by Diane M. Bray, Nominations Committee Chairperson.*

## KASICH Cont. from page 3

In 1982, Mr. Kasich was the only challenging Republican in the country to defeat an incumbent Democrat for a seat in the U.S. House of Representatives. He retained the seat in the 1984 and 1986 elections, capturing over 73-percent of the vote in his most recent campaign.

## FEDERAL MANAGERS' FINANCIAL INTEGRITY ACT By Jeff Steinhoff

The Comptroller General continues to have as one of his top priorities a strong interest in assuring effective internal controls and accounting systems are established and maintained across the government. GAO has offered suggestions for financial management reform to begin to deal with the significant and long-standing problems that have plagued the federal government for years. As the agencies work to establish the needed controls and systems, GAO plans to report annually on the status of these efforts.

During 1987, GAO continued to monitor and evaluate 23 major federal departments' and agencies' efforts to implement the Federal Managers' Financial Integrity Act (FIA). The 23 agencies account for over 95 percent of federal expenditures. In December 1987, GAO issued its third overall report on the Act's implementation; the central theme of which is, although serious weaknesses still exist, agencies are making progress in identifying and correcting internal control and accounting system weaknesses. (See "Continuing Efforts Needed to Strengthen Federal Internal Control Systems", GAO/AMFD-88-10.)

This year GAO developed a strategy for evaluating agencies' efforts under the Act which capitalizes on the results of reviews performed in the course of GAO's normal audit process and utilizes the results of work performed by the agencies' Inspectors General and other internal audit groups. This was recommended by the President's Council on Management Improvement in its 1985 study of ways to strengthen management controls while streamlining the FIA process.

GAO has implemented new policies for reviewing agency systems of internal control and for reporting on internal control weaknesses identified through normal audits. Also, GAO has developed and shared with heads of federal, state, and local governments, the Inspectors' General, and members and official observers of the National and Regional Intergovernmental Audit Forums, its "Guide for Incorporating Internal Control Evaluations Into GAO Work". The guide highlights evaluation and reporting steps that should be followed in GAO assignments. Further, GAO has developed and pilot tested an internal controls training course to ensure that auditors more adequately consider internal controls when planning and reporting the results of their audits.

Finally, GAO has developed an automated FIA database for tracking and capturing the information reported by the agencies on internal control

and accounting system weaknesses, corrective actions, and the results of related audit work performed by GAO, Inspectors General, and internal audit organizations. The database, consisting of standardized data elements, gives GAO a comprehensive picture — governmentwide and on an individual agency basis — of the status of efforts under the Act, and what is known about that history.

*Jeff Steinhoff is an Associate Director in GAO's Accounting and Financial Management Division, responsible for GAO reviews of FIA implementation.*

## Welcoming and Recognizing New Members by Dan McGrath, Director Membership Services

At the December Chapter Executive Board meeting it was decided to change our procedures for welcoming new members to the Chapter. Each new member will be assigned to a board member who will make personal contact with the individual, invite them to the next luncheon meeting, and be generally available to help and answer questions during the transition into the chapter.

In addition to instituting the above described more personal welcoming procedures, we will simultaneously be changing the way we publicly recognize new members and present their membership certificates. We will no longer hold certificates for presentation at the luncheon meetings. Instead they will be mailed as soon as they are received by the Membership Services Committee. This will put the certificates and accompanying chapter literature in their hands a couple months sooner than our past practice.

Recognition at the luncheons will be as follows. Each new member (person who has sent in an application and the appropriate fees) who is attending their first meeting since submitting their application will be asked to stand. They will be asked to introduce themselves (name and organization) and will be presented an AGA pin. New members will be eligible to receive a pin for one year from the time they join.

## President's Message

Cont. from page 2

- *"No-Show" Charges*

One of the policies that the Chapter Executive Council voted to establish two years ago was to bill individuals for a "no-show" at Chapter luncheons and educational events where a reservation had been made and not canceled prior to the event. If an individual comes as a substitute, the person making the reservation will not be billed. The proposal has allowed the Chapter to keep operating costs at a minimum. This results in lower luncheon and registration fees. The admission price covers only the cost of the lunch and associated expenses. When reservations are made and the member does not attend, the Chapter is liable for the costs. We appreciate your cooperation in making this policy work and in trying to keep costs down for all Chapter members.

## FED-STATE INTERFACE IS NOVAGA FEB TOPIC

Northern Virginia Chapter's February 17 dinner meeting will feature State of Virginia Comptroller **Edward Mazur** and Treasury's **Russell Morris**, who will address the topic of "Financial Management—Federal and State Interface". NOVAGA's meetings are at the Sheraton National at Washington Boulevard & Columbia Pike in Arlington. For reservations call Sophie Jasinski on 376-8822.

### CHANGING YOUR ADDRESS

The easiest and surest way of changing your mailing address for all Chapter and National Office mailings is to mail a notice with the new address and an AGA mailing label with the old address on it to:

AGA National Office  
727 South 23rd Street, Suite 100  
Arlington, Virginia 22202

## NOVAGA COMPUTERS IN AUDITING SEMINAR

Northern Virginia Chapter Education Director **Fred Wolf** has announced that the Chapter is hosting a March 15 afternoon (1:00 PM) seminar on Use of Computers in Auditing, at the Sheraton National in Arlington. Presentations are planned on: the PCIE Computer Systems Integrity Project, by NASA IG **Bill Colvin**; Use of Computers By the VA IG (case studies), by the VA IG's **Michael Slachta, Jr. & Paul Hoshall**; and Audit Standards & Computer Auditing, by GAO's **Dennis Duquette**. A social period and dinner will conclude the seminar, with Peat Marwick partner **John Hummel** speaking on Microcomputers in Public Accounting. \$60 fee includes afternoon refreshments and the dinner.

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### REGISTRATION FORM—NOVAGA COMPUTERS IN AUDITING SEMINAR

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

DAY PHONE \_\_\_\_\_

ENCLOSED IS ( ) FEE ( ) INVOICE  
(Check Payable to AGA)

Mail to: Jackie Howard, Box 44107, Washington,  
DC 20026-4017 (Ph: 755-6364)

### NOTICE

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

## JFMIP ANNOUNCES 17TH ANNUAL CONFERENCE SET FOR MARCH 9

The Joint Financial Management Improvement Program has announced that this year's Annual Financial Management Conference, JFMIP's 17th such conference, is scheduled for Wednesday, March 9 at the Grand Hyatt on H Street NW in downtown Washington. The objective of this year's conference, with its theme "Making Financial Management Work in the Federal Government", is to emphasize how financial management should be used by executives and managers in running their organizations more efficiently and effectively. The conference will feature an unusually prestigious array of speakers and workshop participants, from both the public and private sectors, who will discuss their perspectives on the importance of using financial management in running their organizations. The following abbreviated outline vividly illustrates the authoritative quality of the presentations.

- Keynote address by Chief Financial Officer **Gerald Riso**.
- Plenary session on Financial management in the Private Sector w/Heinz VP **Jack Burley**, Kraft VP **Gary Coughlan**, & Dupont VP **John Quindlen**.
- Plenary session on Federal Executives' Perspective on Financial Management w/GSA Administrator **Terrence Golden**, SSA Commissioner **Dorcas Hardy**, Forest Service Chief **Dale Robertson**, & IRS Commissioner **Lawrence Gibbs**.
- Workshop on Systems and Technology w/Mr. Golden, Treasury's **Marcus Page**, & (tentative) McGraw Hill's **Susan Buchanan**.
- Workshop on Financial Auditing w/Mr. Hardy, HHS IG **Richard Kusserow**, GAO's **Dennis Duquette**, & (tentative) AT&T's **Bruce Barr**.
- Workshop on Management Information w/DOD's **Herbert Kraft**, Mr. Robertson, & Amoco's **Ray Bell**.

Additionally, as a special feature, Comptroller General **Charles Bowsher** will make the annual Donald L. Scantlebury Memorial Awards presentation. Attendance can be approved under the Government Employees' Training Act, and the \$80 fee includes the luncheon. For information on registration procedures call OPM's Ed Murphy, Sam Smith, or Tom Uttley on 632-5600. For information on the program call JFMIP on 376-5415. **Prompt attention is important since registration is open only through February 26.**

## AGA WASHINGTON CHAPTER SCHEDULE OF EVENTS FEB - JUNE 1988

*February 4.* Monthly luncheon meeting w/Congressman **John Kasich**.

*February 17.* No.Va. Chapter monthly dinner meeting, w/Virginia Comptroller **Edward Mazur** & Treasury's **Russ Morris**.

*March 3.* Monthly luncheon meeting w/National Academy of Public Administration's **Ray Kline**.

*March 9.* JFMIP Annual Financial Management Conference.

*March 12.* TGIF Luncheon; "FMFIA—Four Years Later—Is It Working?"

*March 15.* No.Va. Chapter seminar, "Use of Computers in Auditing", & monthly dinner meeting, w/Peat Marwick's **John Hummel**.

*April 14.* Monthly luncheon meeting w/GAO's **Fred Wolf**.

*April 15.* Workshop, "Use of Personal Computers and Expert Systems in Accounting, Auditing, and Budgeting".

*April 19.* No.Va. Chapter monthly dinner meeting, w/DOD IG **June Brown**.

*May 5.* Monthly luncheon meeting w/AGA National President **Don Kirkendall**, & Chapter annual awards.

*May 15.* Cash management workshop, co-sponsored with Washington Area Cash Management Association.

*May 17.* No.Va. chapter annual awards banquet.

*June 5.* TGIF Luncheon; roundtable discussion w/state financial management officials.

*June 20-22.* AGA 1988 Professional Development Conference, Washington, DC.

## DID YOU KNOW...

By Charles McAndrew (696-6896)

This month we are featuring the Department of Commerce's Office of Finance and Federal Assistance. OMB Circular A-127 mandates development of a single, agency-wide financial management system. This circular and Reform '88 have formed the foundation for the large scale Department-wide integration of accounting, budget, administrative payment, payroll, Real and Personal Property Management, management information and Grants/Loan systems. Kay Bulow, Commerce Assistant Secretary for Administration, planned and managed this initiative, called the Financial and Management Information System (FMIS).

FMIS is comprised of numerous modules, the core of which is the Financial Accounting and Reporting System (FARS) which was purchased "off the shelf". It was successfully deployed in the Office of the Secretary and four other components on October 1, 1987 and is expected to be implemented throughout the Department by October 1, 1989. A part of this effort will be the implementation of the U.S. Government Standard General Ledger.

A separate module for payroll/personnel was implemented through a cross-servicing agreement with Agriculture's National Finance Center. The result is that Commerce has gained the capability of using a single standardized payroll-personnel system, eliminating five separate systems, without the need for the heavy lead time and costs

usually involved in developing a new system.

An Administrative payments module includes the operation of Department-wide payment systems for travel, transportation, FED-STRIP, imprest funds replenishment and purchase orders. These automated systems were obtained from Agriculture and their implementation has achieved numerous economies of scale and standardization of data.

Another module of FMIS will be the Grant and Loan Accounting and Management Information System (GLAMIS). The GLAMIS is scheduled to be operational for Fiscal Year 1990.

A module of FMIS will also be established for budget formulation and execution based on the acquisition of an off-the-shelf budget system and is expected to be operational and integrated with FARS for Fiscal Year 1990.

Other modules will include those for real property, personal property, and management information. A management support system module will provide Commerce with an automated capability to gain frequently requested types of management information in desired report formats.

The result of this major effort will be a Department-wide financial data base with a uniform coding structure and data element definition. If you have any questions or would like further information on FMIS, call Ronald Hack, Director of Office of Information Systems at 377-0120.

Don't forget to call me on 696-6896 with your items of interest in such areas as financial management, budget, audit, accounting operations, systems development, and related areas.

## NEWSLETTER

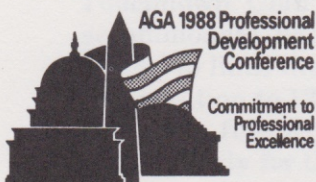
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