

The Washington Connection

ASSOCIATION OF GOVERNMENT ACCOUNTANTS
WASHINGTON DC CHAPTER

JANUARY 2005 ISSUE

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 **AGA**
WASHINGTON DC, CHAPTER

January Guest Luncheon Speaker, Don Hammond, Fiscal Assistant Secretary for the Department of the Treasury

Don Hammond was appointed Fiscal Assistant Secretary, a career position, on September 27, 1998, after serving as the Deputy Fiscal Assistant Secretary since July 1996. In his position, he provides policy oversight over the activities of the Financial Management Service and the Bureau of the Public Debt in conducting the fiscal affairs of the federal government. The office also serves as the Treasury's liaison with the Federal Reserve System in its role as the government's fiscal agent. The scope of his responsibilities includes management of the government's cash flow, improving government financial management, the execution of the government's financing activities, and the operation of government-wide financial accounting and reporting systems including the preparation of the Consolidated Financial Statements of the United States. In addition, Mr. Hammond is a statutory member of the Chief Financial Officers Council, and represents the Secretary on the Trust Fund Boards for the National Archives and Library of Congress.

Previously, he was the Assistant Director of the Treasury's Government Securities Regulations Staff, which has the responsibility for developing regulations for government securities broker-dealers in the areas of financial responsibility, custody, record keeping, and reporting. Earlier in his Treasury career, he served as the Secretary of the Chrysler Corporation Loan Guarantee Board.

Mr. Hammond received a master's degree in finance and accounting from Northwestern University's J. L. Kellogg Graduate School of Management and was admitted to the accounting honorary Beta Alpha Psi. He is a graduate of Duke University with a B.A. in chemistry and economics.

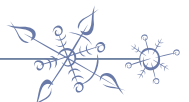
January Luncheon

Financial Management In Transition Luncheon Series
Don Hammond, Fiscal Assistant Secretary
for the Department of the Treasury

Thursday, January 13 - Luncheon - 11:30am - 1:30pm
Members: \$22.00, Non-Members: \$27.00
Register online at <https://secure.serve.com/AGADC/lform2.php>

George Washington University Marvin Center
800 21st Street, NW (corner of H Street)

(one block from the Foggy Bottom blue/orange line Metro)



President's Message

by Karen Alderman, President



Ms. Karen Alderman, President

Dear Chapter Members,

Happy 2005 to all the members of our DC AGA. In keeping with our theme --"Financial Management in Transition"-- there is a major transition occurring at the Joint Financial Management Improvement Program (JFMIP). The staff is being realigned and JFMIP will no longer exist as an organization managed under a steering committee composed of the Department of the Treasury, the Office of Management and Budget, the

Government Accountability Office, the Office of Personnel Management, and a program agency. As Executive Director of JFMIP, it has been a thrill and a privilege to work with so many of you on joint, cooperative efforts to improve federal financial management. The decision to eliminate the JFMIP staff will mean that I will be moving on to a new, yet to be determined, career adventure in the near future. Change is always a challenge and an opportunity. However, I intend to continue in this role, President of the DC Chapter of AGA, for the balance of my term to make a contribution with the help of the community. On that note I would like to update our Chapter's progress against goals: providing quality professional education through our luncheon meetings and two-day professional development conference, engaging the next generation through an active early career program, and giving back to the community.

Professional Development. Mark your calendars for January 13 when Don Hammond, Fiscal Assistant Secretary, Department of the Treasury, will present on the "Ups and Downs on FY 2004 Accelerated Governmentwide Reporting." Don chairs the Chief Financial Officers Council's Committee on Financial Statement Acceleration and is responsible for the *Financial Report of the U. S. Government*. His insights are informed with his own first-hand experience and the ability to integrate the observations of the leaders throughout government who are responsible for producing audited financial statements for their agencies. Jumping ahead to spring, we ask you to mark your calendars for May 3 and 4 when the AGA DC Chapter will host a two-day conference, with the theme of "Financial Management in Transition." The conference will be held at George Washington University's Cafritz Conference Center and we have a strong line up for you.

Early Careers. Federal financial management human capital is a major strategic challenge to our community for both public sector organizations and private sector companies serving government needs. One of our Chapter's goals is to draw new talent to the federal financial community and to establish a culture of continuous learning. With that in mind, on March 15-17 and 22-24, 2005, the DC Chapter will sponsor a comprehensive training program that helps prepare participants to successfully complete the Certified Government Financial Manager (CGFM) examinations. This program, offered **AT NO**

COST to qualified enrollees from all the regional chapters, will address three key components that align with the CGFM: the governmental environment: government accounting, financial reporting and budgeting, and government financial management and control. Our instructor will be Virginia Robinson, one of the preeminent educators of prospective CGFMs throughout the United States. The training will be held at the facilities of Treasury Agency Services, which is at the 3rd floor of 1990 K Street, NW, Washington DC.

The Chapter extends its heartfelt appreciation to Grant Thornton's Ken Bresnahan, Chair of the DC Chapter CFFM effort and the architect of this initiative. Also, we are most appreciative of the support of Bob Evans and Karl Boettcher for making training space available. This program provides a wonderful opportunity for our members in the early stage of their careers to dramatically increase their knowledge of government financial management, and prepare to acquire a critically important professional certification that will enhance their value to their organizations and promote their long-term career aspirations. These seats are filling up fast. So, if you are an early career person and would like to train to gain an essential credential, then sign up fast.

Community Service. I am so proud of our Chapter's efforts on behalf of the community. In the holiday spirit, a cash donation was made to **Toys for Tots**. In January, we are collecting baby items for St. Ann's Infant and Maternity Home. Our hats off to Tonya Allen-Shaw and Lloyd Farmer for organizing and executing our Chapter's community service program.

Outreach. Our website continues to evolve and improve. Thank you to Harris Gofstein and William Black of BearingPoint for keeping us connected. And thank you to Karen Shaffer for the newsletter, the *Washington Connection*, for keeping us informed. It all adds up. Pat Clark Duncan will be sending the points earned by our Chapter to National and next time we will report to you how our Chapter measured up!!

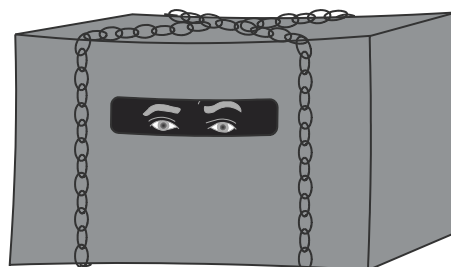
Thank You Corporate Sponsors! Finally, I would like to acknowledge and thank our 2004-2005 corporate sponsors of the meeting series including Savantage Solutions, Kearney & Company, Grant Thornton, PriceWaterhouseCoopers, and most recently, **IBM** for their generous support and invite other organizations that would like to contribute to some aspect of our Chapter. Support from our corporate sponsors is enabling our Chapter to present a robust program for our current members, to build human capital capacity for the future, and to support our community. Best wishes for the New Year.

Sincerely,
Karen Cleary Alderman
Chapter President



Inside the Black Box

by Simcha Kuritzky, CGFM CPA



System Posting Logic

Reviewing the Posting Model

There are two ways to review the posting logic of an accounting system: in the system setup (e.g., reference data tables) to see what will post, or in the journals afterwards to see what actually did post. While reviewing actual postings to see that they match what was intended is a necessary step for any system implementation, getting the system to print out the posting models with their debit and credit accounts is particularly useful to prevent problems from occurring in the first place. Some systems can easily display posting logic in tabular format, while others require users to search through code or numerous tables to hunt down the necessary information. JFMIP only requires that there be standard rules (CFB-05) that use standard transactions (CFB-01). If they are keyed by transaction codes, then the logic can be reviewed easily; if they use templates, things get muddier; and if they use derivation rules, the posting model logic can be quite difficult to review.

Transaction Codes

Systems that use transaction codes as the key to posting tables are the most straightforward. The user should be able to group similar transaction codes together (e.g., all types of payments, or all types of appropriations or authority) and list the associated posting logic. Often the posting logic will differ based on vendor or accounting codes like the fund type or object class. One should be able to list all possible postings and their associated codes for review. For example, if authority is recorded with an A1 document, there might be the following entries, where "Type" is a code the user enters on the transaction along with a fund code or appropriation symbol:

Type	Description	Posting
NW	New appropriations	dr. 4119 1010 cr. 4450 3101
NS	New appropriations not subject to apportionment	dr. 4119 1010 cr. 4620 3101
ER	Estimated reimbursements	dr. 4210 cr. 4450
RS	Rescissions	dr. 4450 3106 cr. 4396 1010
RN	Rescissions not subject to apportionment	dr. 4620 3106 cr. 4396 1010

Alternatively, the system may use the fund type to determine which authority is appropriate. If the agency assigns the proper fund type and splits appropriations and reimbursable authority into separate funds, they could use a setup like the following, where the user only enters the type and the fund code, and the system determines the fund type from its code:

Type	Fund Type	Description	Posting
01	APPR	New appropriations	dr. 4119 1010 cr. 4450 3101
01	APNS	New appropriations not subject to apportionment	dr. 4119 1010 cr. 4620 3101
01	REIM	Estimated reimbursements	dr. 4210 cr. 4450
RS	APPR	Rescissions	dr. 4450 3106 cr. 4396 1010
RS	APNS	Rescissions not subject to apportionment	dr. 4620 3106 cr. 4396 1010

This reduces the likelihood of using an inappropriate posting for a particular fund type. Templates generally work the same as Transaction Types, except the user does not enter a simple code, but rather chooses an entire string of codes or a description from a drop-down box.

Rules-Based Posting

Other systems rely on coded rules. They might have a table of values that can be set up by the user, such as the following for authority types:

New appropriations	4119	Accompanied by warrant?	Yes	Equity	3101
Reimbursements	4210	Accompanied by warrant?	No	Equity	n/a
Rescissions	4396	Accompanied by warrant?	Yes	Equity	3106

System Posting Logic, continued on page 4.

System Posting Logic, (continued from page 3)

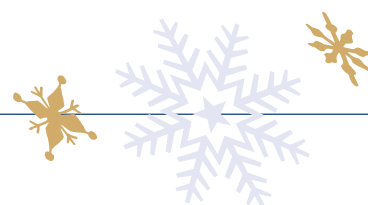
A similar table would be needed for listing the status of authority and yet another table or set of rules would list the warrant posting. The system would have in its code the rules for how to use each account. For example, if a user entered an authority transaction and indicated this was a new appropriation, the above table would tell the system to debit account 4119 in the budgetary books and credit 3101 in the proprietary, while if the user indicated this was a rescission, the system would credit 4396 and debit 3106. The fragmented nature of the rules-based setup makes it hard to review.

In order to construct the full posting model in a rules-based system, it is necessary to list out all the rules, which is quite cumbersome by hand. A good system would have a report that would print out all the different cases with their associated posting logic, even if it has to simulate all the different postings to get the debit and credit accounts.

Conclusion

A rules-based system is more flexible than a system that uses transaction types, but that flexibility comes at the cost of making it difficult to review posting logic before it is used to record transactions.

Comments, suggestions, and critiques are welcome. Send them to Simcha.Kuritzky@cgi-ams.com, and not to the AGA.



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Ever Think of Writing an Article or a Short Marketing Piece?

By: *Marguerite Nealon, AGA DC*

With thanks to Patricia Wensel, CGFM, AGA DC for her contributions



Yes, you too have something valuable to say—so why not put it in writing and circulate it. You might ask: Who would want an article or a short marketing piece written by me? What would I write about? Let me give you some ideas.

AGA DC Membership

The December issue of our *Washington Connection* cited AGA National President Bobby A. Derrick's challenge to recruit at least one new AGA member before the close of the membership year, April 30, 2005. Why not use the computer to recruit members? Perhaps you have an e-mail list you could use to advantage. Inform those on the list about AGA DC's upcoming CGFM training program AT NO COST for early career individuals, with up to 5 years of professional experience. Then tell your contacts about AGA DC's training and networking offerings—available to members.

Recruiting members will be your ticket to enter a drawing for a great prize—a 4-day/3-night stay at a Napa Valley retreat. The lucky prize winner will receive roundtrip airline tickets for two and accommodations at the Silverado Resort in Napa Valley, CA; VIP wine tasting at the William Hill Winery; and who knows what else?

Technology and Financial Management Performance in the Federal Government

AGA's quarterly *Journal of Government Financial Management* is looking for articles on emerging technologies for accountants and auditors for its Summer 2005 "Annual Technology Issue." The deadline for submitting articles is: March 1, 2005.

Or what about writing on performance management and performance budgeting for the Fall 2005 issue on "Measuring Financial Management Performance in Government." AGA's deadline for submitting articles is June 1, 2005.

The Journal Editorial Board also seeks articles on human capital, GASB 34 Lessons Learned, as well as Globalization and Privatization. Start by writing an article with no more than 2,500 words. Then seek peer review before submitting the article. For more information about the coverage planned for each issue, visit www.agacgfm.org/publications/journal/editorialcalendar.aspx or contact the Journal editor at mforce@agacgfm.org.

Best Practices, Issues Facing the Profession, etc.

The *Journal of Accountancy* covers a broad range of subjects for accountants: accounting, financial reporting, auditing, taxation, consulting, and education, to name a few. Do you have a desire to share your views on a business problem and care to offer solutions? Well then, the "practical" aspects of your article would appeal to the *Journal's* editorial advisers. Or consider writing something pertaining to the "corporate" category, pertaining to management accounting. Articles may also address other areas, such as the "technical," pertaining to new standards or best practices; "professional issues;" or the "future," such as fast-moving trends that will have an immediate or very near future impact on the profession.

Care to try your hand at writing for this *Journal*? If so, find out more by visiting the *Journal of Accountancy's* Online website at: <http://www.aicpa.org/pubs/jofa/ag.htm>.

Want More Ideas? Here They Are!

A lot of issues are brewing in the federal government. By expressing your views in AGA DC's *Washington Connection* you could move along dialogue and possibly decision making on the following hot-button topics:

- Do we need to change the Statement of Financing? The CFO Council is hearing views on this subject.
- Do we need additional Standard General Ledger (SGL) accounts? What accounts do you see as necessary?
- What does it take to get to "green" on the President's Management Agenda (PMA) scorecard?
- What do I need to know about the new e-travel initiative?
- What can you tell me about improper payments?
- What is the "No Fear Act" all about?

Get out your pen or log onto your computer and start writing!

Chinese New Year Dinner

Member Services in conjunction with Mr. Samuel T. Mok (CFO, Department of Labor) is sponsoring a Chinese New Year Dinner at the China Garden Restaurant on Saturday, January 15, starting at 6 p.m. Come and enjoy a wide variety of delicious Chinese cuisine. All dinners are 11 courses (2 appetizers, 1 soup, 5 entrees, 1 fried rice and 2 desserts). Soft drinks and hot tea are included. We were able to obtain a special price of \$30.00 per person. Cash bar is optional. Plenty of complimentary parking is available in the building. Dress is business casual. The China Garden is located at 1100 Wilson Blvd. in Rosslyn, (Arlington) Virginia.

If you are interested in attending this activity, please contact the Member Services Director - Karl Boettcher at karl.boettcher@FMS.treas.gov - 202.874.6131 by Friday, January 7th. For additional information you can also call the China Garden at 703.525.5317- ask for Peter.

We would like to thank our corporate sponsor "Savantage Solutions"

Appetizers:

Grilled Jumbo Scallops w/Spicy Salt
Deluxe Cold Cut Platters

Soup:

Mixed Seafood & Asparagus Soup

Entrees:

Braised Mushrooms & Snow Peas Tips
Roasted Chicken Cantonese Style
Fresh Lobster w/Scallions & Ginger Sauce
Filet Mignon House Special
Pork Chops Kingdom Style
Young Chow Fried Rice

Desserts:

Crispy Chow Fried Rice
Tapioca & Taro w/Coconut Milk

Ski Trip to Liberty Mountain Resort

Membership Services is sponsoring a day ski trip to Liberty Mountain Resort on Friday, February 11, 2005. This will be in partnership with the Northern Virginia, Montgomery/PG, and Baltimore chapters. We will meet at the Clock Tower circle entrance area at 10 a.m. Liberty is conveniently located just one hour (60 miles) from the DC area. Take 495 to 270 North to Frederick. Then 15 North to Emmitsburg; exit into South Seton Avenue. Left on to Rt. 140 West, which becomes Rt. 16. Follow Rt. 16 to 116E. Right on 116E for 3 miles.

Complete ski packages (equipment, lessons and lift tickets) are available for AGA members at discounted group prices
 ***\$47.00 Learn to Ski/Snowboard - limited mountain ***
 \$58.00 Intermediate and advanced - all mountain and ***
 \$31.00 lift ticket only – all mountain. Lunch is available at the lodge cafeteria. There will be an après ski gathering at McKee's Tavern. For those wishing to stay overnight, the Liberty Hotel also offers slope side lodging. The date of this activity may be subject to change due to weather conditions. Alternate date is Friday, February 18. Please check the AGA DC web site for any last minute changes. If you are interested in attending this activity, or for more information, please contact karl.boettcher@fms.treas.gov 202.874.6131. Additional information can also be obtained from Liberty Mountain - 717.642.8282, www.skiliberty.com.



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Employment Opportunities

We are also seeking highly qualified accounting professionals to join our expanding organization.

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call 202 874-9560 or visit www.fms.treas.gov/tas



ALS Walk - 10/09/04



AGA DC Chapter members, led by captain Andy Kilgore, joined in the "Walk to D'feet ALS" on October 10. Thanks to Andy and his dedicated team of walkers, our Chapter raised \$1,675 to support research into the treatment and cure for this devastating disease. Community service events such as this are coordinated by the team of Tonya Allen-Shaw and Lloyd Farmer.



Holiday Get-Together



Thursday, December 9 - Informal Holiday Get -Together at Old Ebbitt Grill.



US Naval Observatory Tour



Monday, December 13 - US Naval Observatory tour included a presentation of the mission and history, a view of the Time Services and viewing of celestial objects with the 12-inch Alvan Clark refractor with an Astronomer.



Northern Virginia “After Work Good - Time Events”

“After Work Good - Time and CPE Events”

It's time for a brand-new year of “After Work Good-Time and CPE Events.” Join your colleagues and friends from 5:15 pm until 7:00 pm (registration 5:15 pm, meeting 6 pm) at the Alexandria Embassy Suites located directly across from the King Street Metro on the 3rd Thursday of each month (unless otherwise stated). Details in table at right.



Northern Virginia Chapter
of the Association of Government
Accountants
PO Box 44079
Washington, DC 20026-4079
703.428.6512
www.novaga.org

Date	Type	Event
Thurs, Jan 13 (2nd Thursday)	Dinner Meeting	Implementing the Improper Payment Information Act of 2002 - 1 CPE Wendy Morris, Assurance Director, PricewaterhouseCoopers
Thurs, Feb 17	Dinner Meeting	1 CPE – Sarbanes - Oxley Federal vs Private Sector Issues
Thurs, Mar 17	Educational	All-Day Spring Educational Event
Thurs, Apr 21	Dinner Meeting	1 CPE – Defense Comptrollership Issues
Thurs, May 19	Awards Dinner	Awards Banquet Embassy Suites

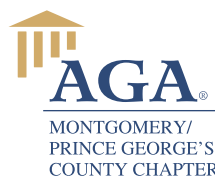
www.novaga.org

Montgomery/Prince George’s County Chapter Events

Montgomery/PG County Chapter Events

Doreen Shute, President of the Montgomery/PG County Chapter, would like to invite you to join them for a fun and exciting program year, which includes a variety of speakers for their dinners, community activities, workshops and hopefully a corporate sponsored networking happy hour.

Visit the Montgomery/Prince Georges chapter’s website at www.marylandaga.com Their dinner meetings are on Wednesdays in Rockville. Details in table at right.



Andrew Lewis
Montgomery/Prince George's
County Chapter
KPMG LLP
2001 M Street, NW
Washington, DC 20036
202.533.4886
www.marylandaga.com

Date	Type	Event
Wed, Jan 12	Dinner Meeting	First Annual Networking Event & January Dinner Meeting. Speaker will be AGA's Executive Director, Relmond Van Daniker, DBA, CPA, on 'What AGA Can Do for You.'
Wed, Feb 9	Dinner Meeting	Steve Berkowitz, Senior Manager, Bearing Point
Wed, Mar 9	Dinner Meeting	'The Mission & Accomplishments of the President's Information Advisory Council' by Patricia Evans, Member of PITAC & CEO of Global Systems Consulting Corp.
Wed, Apr 20	Dinner Meeting	Larry Bedker, Director of Financial Management Services, PSC
Wed, May 18	Awards Dinner	AGA National President Bobby Derrick

www.marylandaga.com

AGA Washington Chapter Membership Services Events 2005

To provide our membership with a variety of social activities, Member Services is scheduling the following events for the coming membership year. We will again attempt to partner our activities with local AGA chapters and other professional organizations. Also, watch for our participation in additional partnership activities being planned by other regional AGA chapters and by our own Community Service and Early Careers.

2005	Event	Partnership
January 15	Chinese New Year Dinner	Dept of Labor CFO - Sam Mok NOVAGA/Montgomery/PG Chapters
February 11	Skiing at Liberty in PA	NOVAGA/Montgomery/PG Chapters Baltimore Chapter
March	Tour of National Cathedral	NOVAGA/Montgomery/PG Chapters
April	Mt. Vernon Tour	NOVAGA/Montgomery/PG Chapters
May	Wolf Trap Event	NOVAGA/Montgomery/PG Chapters
May/June	Attend Baltimore Orioles or Northern Virginia Cannons Baseball Game	Baltimore Chapter NOVAGA/Montgomery/PG Chapters
June	Play in Golf Tournament	ASMC/KPMG NOVAGA/Montgomery/PG Chapters

Additional event information will be provided as the activity draws near and more information becomes available. Some of the activities may be subject to change due to our partnership with the GWSCPA, ASMC, and the AGA NOVAGA, Montgomery/PG, and Baltimore chapters. Please check our newsletter, website, or agency liaison for the latest event update. Due to advance notification requirements and space limitations, most activities will have a response cut off date. If you are interested in an activity, please let us know as soon as possible. Send your responses or direct any questions to our chapter Member Services Director - Karl Boettcher - karl.boettcher@fms.treas.gov - 202.874.6131.

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EARLY CAREERS

AGA Washington Chapter, Early Careers "Brown Bag" Lunch Series
JFMIP Board Room, 1990 K Street (20th and K)
Washington, DC

Cost: Free, bring your own lunch.

Time: 11:30-1:00

Dates: February 15, 2005

The AGA Washington Chapter will host brown bag lunch sessions for Early Career Members to learn about career growth opportunities in government. Early Career Members are those chapter members with less than five years of experience in the government accounting/accountability field. Each session will feature a speaker that will present perspectives on careers in governmental accounting and accountability, as well as a time for questions and answers.

Please contact Donna Tebeau at donna.tebeau@gsa.gov or 202.219.0526 to register for these sessions.

Training for Certified Government Financial (CGFM) Manager Examinations

Enrollment has been brisk in response to Chapter President Karen Alderman's recent announcement of an exciting training opportunity for members in the early stages of their careers. On March 15-17 and 22-24, 2005, the DC Chapter will sponsor a comprehensive training program that helps prepare participants to successfully complete the Certified Government Financial Manager (CGFM) examinations. In the 2 weeks since the announcement of the program, over 20 early career members have enrolled. Many have joined the DC Chapter to become eligible for the training.

This program, offered AT NO COST to qualified enrollees, will address three key components that align with the CGFM: the governmental environment, government accounting, financial reporting and budgeting, and government financial management and control. Our instructor will be Virginia Robinson, one of the preeminent educators of prospective CGFMs throughout the United States.

This program provides a wonderful opportunity for our members in the early stage of their careers to dramatically increase their knowledge of government financial management, and prepare to acquire a critically important professional certification that will enhance their value to their organizations and promote their long term career aspirations.

The training will be held at the facilities of Treasury Agency Services, which is the 3rd floor of 1990 K Street NW, Washington DC. We are most appreciative of the support of Bob Evans and Karl Boettcher in making training space available.

Here's a quick synopsis of the program:

Who: members of the AGA from DC, Northern Virginia and Montgomery County Chapters with up to 5 years of professional experience

What: CGFM training

When: March 15-17 and 22-24, 2005

Where: Treasury Agency Services, 1990 K Street NW, Suite 300, Washington, DC

How: Applicants should submit a brief letter expressing interest in the program that includes a statement attesting to their eligibility as early career members, contact information, and a commitment to take the CGFM examinations within 1 year of course completion. A statement from the applicant's supervisor approving the training should also be provided. Enrollment of qualified applicants will be on a first-come-first served basis for up to 40 people. Application materials should be sent to Ken Bresnahan at Grant Thornton LLP, 333 John Carlyle St, Suite 500, Alexandria, VA 22314 or by e-mail at ken.bresnahan@gt.com. The application period will remain open until all available positions are filled.

CACI International Inc.

Recruiting for three Positions

Title: Financial Analyst, Lead
 Start: January/February 2005
 Location: Bethesda, Maryland
 Position: HHSP132
 Number: 1 position
 Website: www.caci.com (click "Jobs" at top)
 Email: hotjobs@caci.com (Word format)
 Telephone: Hugh Brous 703.961.5021

Actual Duties and Responsibilities

Provide financial research and analysis in areas of federal financial accounting. Analyze federal financial statements in accordance with FASAB and FEDGAAP requirements. Determine compliance with FEDGAAP and federal financial requirements promulgated by OMB, Department of Treasury, Department of Defense, and FASAB. Prepare written plans of action that implement findings and recommendations reported in various research and analysis papers prepared by CACI, DoDIG and others. Review existing business processes through applicable documents, site visits, and discussions with employees and managers.

Minimum Required Qualifications

Level Lead - requires Bachelor's degree in a related field, or equivalent and seven to nine years of related experience. This position requires a current TS/SCI clearance

Qualifications Desired

Candidate should have a financial management background, preferably DoD, or equivalent accounting knowledge as evidenced by a college degree in accounting, CPA, CDFM or CGFM certification. Candidate should have experience conducting financial research and analysis and demonstrated writing skills commensurate with preparing reports and plans. Experience with financial systems is desirable.

Title: Business Systems Analyst (level 2, 3 or 4)
 Start: January/February 2005
 Location: Bethesda, Maryland
 Position: HHSP106
 Number: 2 positions
 Website: www.caci.com (click "Jobs" at top)
 Email: hotjobs@caci.com (Word format)
 Telephone: Hugh Brous 703.961.5021

Actual Duties and Responsibilities

Provide financial analysis in areas of federal financial accounting . Analyze federal financial statements in accordance with FASAB and FEDGAAP requirements. Determine compliance with FEDGAAP and federal financial requirements promulgated by OMB, Dept of Treasury, Department of Defense, and FASAB. Prepare written analysis to include discussion of findings, conclusions, and recommended actions. Communicate and coordinate with client knowledge centers (KCs) and other agencies. Conduct electronic research using relevant databases.

Minimum Required Qualifications

Level2 - required Bachelor's degree in a related field or equivalent, and two to four years of related experience Level 3 - requires Bachelor's degree a related field, or equivalent and five to seven years of related experience Level Lead - requires Bachelor's degree in a related field, or equivalent and seven to nine years of related experience All positions require TS/SCI clearance. Candidate should have a strong financial management background, or equivalent accounting knowledge such a CPA, or CDFM or CGFM certifications.

Qualifications Desired

Desire individual with experience with federal government experience and experience with federal financial statements. A strong accounting education e.g., CPA, CDFM, or CGFM, or has passed the CPA exam and pending certification may be acceptable in lieu of federal government financial experience. A strong systems background is desirable.

2005 Luncheon Speaker Series

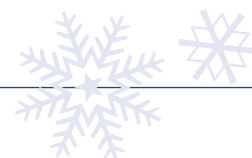
The theme of this year's series is "Federal Financial Management in Transition," appropriate given the election and inevitable change in key leadership positions throughout the Federal government. The series kicked off on September 9, when Andrew Maner, Chief Financial Officer of the Department of Homeland Security, discussed lessons learned and best practices used by the Department during its first full year of operation. Throughout the year, distinguished speakers from the public and private sectors, as well as Capitol Hill, will provide their insight on a variety of financial management issues.

The luncheons will be held between 11:30 a.m. and 1:30 p.m. at the Marvin Center at George Washington University, 21st St. and H Street (one block from the Foggy Bottom blue/orange line Metro).

Thursday, January 13, 2005	Thursday, March 17, 2005
Thursday, February 10, 2005	Thursday, May 12, 2005

A special event is planned for April, when we will hold our awards dinner. In addition, the chapter will hold education events and conferences.

Watch the [Washington Connection](#) for more details! We hope that you all plan to join us.



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January 13 Luncheon Meeting: FY 2004 Accelerated Governmentwide Reporting - The Ups and Downs

The AGA DC Chapter would like to invite you to the January installment of its luncheon speaker series. This session, scheduled for Thursday, January 13 at the Marvin Center at George Washington University will feature discussion of the recently-completed government wide audit. The transition to an accelerated reporting and audit schedule impacted not only individual agencies' processes, but also the immense effort to produce and audit the consolidated financial statements of the federal government. Don Hammond, Fiscal Assistant Secretary for the Department of the Treasury, will be our featured speaker and will provide his insights on the past year's processes and pitfalls in meeting the accelerated schedule. Depending on availability, this month's session may also feature speakers from the Government Accountability Office and Treasury's Financial Management Service. We hope that you can join us.

Newsletter Comments or Suggestions?

Do you have any comments or suggestions regarding the newsletter? Do you have an article you'd like to see in print? The deadline for submitting articles to appear in the February 2005 issue is January 20, 2004. Please send your comments and contributions to the newsletter editor, Karen Shaffer, at kshaffer@lmi.org.



Innovation

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Community Service Plan 2005 Washington DC Chapter

January	Baby shower and luncheon to benefit St. Ann's Infant and Maternity Home. Website: http://www.saint-anns.com
February	Volunteer Income Tax Assistance (VITA)
March	Dress for Success Suit Drive
April	Christmas In April
May	Used Eyeglass Collection for Lions Club ***
June	Used Cell Phone collection for HopeLine sponsored by Verizon Wireless ***
	*** Ongoing Community Service Projects to conclude in May and June.

Community Service Update

The 2004 was a very exciting year for the AGA's Washington DC Chapter in the area of community service. We have successfully supported The Make-A-Wish Foundation, ALS, Project Harvest and Toys-for Tots with non-perishable food items and money totaling \$2,080.48.

We started in the fall with a collection during our September 9th luncheon for the Make-A-Wish Foundation. We raised \$156.48 for this worthy cause. In October, we continued our long standing participation in annual ALS (October 10, 2004) walk as members of "Joan's Wayward Walker's" led by our captain, Andy Kilgore. Participation was excellent and we raised \$1675.00 for ALS. In November we supported the Project Harvest food drive and collected a box of non-perishable food items which was delivered to Project Harvest. We completed the year by collecting \$124.50 in support of the annual U.S. Marine Corps Reserve Toys for Tots Program. Our contribution was matched by the AGA's National Office. We provided the Toys for Tots Program with a contribution of \$249.00.

Thanks again for your support. If you have any questions or want more details on DC Chapter's community service activities, please contact Tonya Allen-Shaw at 202.720.5026 or Lloyd Farmer at 301.809.1326.

Community Service Snapshots



We have successfully supported The Make-A-Wish Foundation, ALS, Project Harvest and Toys-for Tots with non-perishable food items and money totaling \$2,080.48.



2004-2005 Meeting Schedule of the DC Chapter's Directors and Officers

Meetings will be held at noon at JFMIP, 1990 K St., 4th floor, on the following Tuesdays:

Tuesday, January 11, 2005	Tuesday, April 5, 2005
Tuesday, February 8, 2005	Tuesday, May 10, 2005
Tuesday, March 8, 2005	

All members are invited to participate. For December Meeting Minutes see this issue, page 18.

2005 Recruitment Campaign - Leadership for the Future

Special from AGA Topics

Volume 43: Issue 23, November 22, 2004

AGA National President Bobby A. Derrick, CGFM, is challenging every member to recruit at least one new AGA member before the close of the membership year, April 30, 2005. And he is challenging AGA leaders to do even more—to recruit five new members each before the close of the membership year, 5 by 5. This leadership group includes the National Executive Committee, Regional Vice Presidents and Elects, Regional Coordinators, national board and committee members, chapter presidents and chapter membership chairs.

Are you up to the challenge?

NOVAGA Programs Co-Chair Bill Hughes is! Congratulations and THANK YOU for recruiting 5 new AGA members already this year! As such, Bill's name has already been entered into a drawing for the Grand Prize: A 4-day/3-night Napa Valley retreat! This package includes roundtrip airline tickets for two, accommodations at the Silverado Resort in Napa Valley, CA, VIP wine tasting at William Hill Winery, and more!

Go to <http://www.agacgfm.org/publications/topics/112204/memberrecruit.aspx> to read more about the fabulous prizes offered to top recruiters and to view a listing of this year's current top recruiters. Prizes include AGA Dollars, plaques, PDC registration, and chances to win dinner for two at an ultra exclusive restaurant in Orlando during the 2005 PDC, as well as the Napa Valley trip.

Chapters with highest overall growth percentages will also receive a plaque and a complimentary AGA meeting registration.



AGA - Washington Chapter, Executive Board Minutes - December 7, 2004

Fifteen board members attended either in person or via teleconference. Chapter President Karen Alderman welcomed everyone. Secretary Dan Christovich reported that the November meeting minutes had been approved via email. Treasurer Marianne Condon advised that potential contributors and sponsors were being contacted to solicit support for the Chapter.

Judy Ochs discussed award process. A list of awards and past winners had been circulated for information. A nominating committee including Judy Ochs, Ken Bresnahan, Lisa Casias, and Karen Alderman will meet soon to identify candidates and assign responsibility for writing the nominations. The AGA National Awards will be presented at the Professional Development Conference in June 2005. The deadline for nominations is March 4, 2005; the Board plans to begin discussing the nominations at the January 2005 Executive Board Meeting. Judy Ochs and Mark Higgins are working to set the date and location for the Awards Dinner.

Karen Shaffer encouraged board members to provide information for the newsletter. Susan Johnson and Mike Allen reported that conference planning is on track and that the next meeting was scheduled for December 16 at LMI. Mark Higgins advised that Scott Bell would confirm that Don Hammond would speak at the January 13 luncheon. Ken Bresnahan coordinated the CGFM Training scheduled for March. Information has been posted to the AGA DC Website and letters sent to other regional chapters. The contract with Virginia Robinson to conduct the training has been signed by Chapter President Karen Alderman.

Karl Boettcher noted that Member Services would sponsor a visit to the U.S. Naval Observatory on Monday, December 13. He reminded everyone of the holiday get together scheduled for December 9 at the Old Ebbitt Grill and advised that the January event would celebrate Chinese New Year.

Lloyd Farmer confirmed that he had arranged the delivery of the collection of nonperishable goods to Project Harvest. The cash collected at the November luncheon would be donated to Toys for Tots, since Project Harvest was no longer accepting donations. Per Eva Williams' suggestion, he will check with AGA National to see if the funds will be matched. In January, Community Services will sponsor a Baby Shower for St. Ann's Infant Home. Members will be asked to bring unwrapped baby gifts. Other planned events include Volunteers in Tax Assistance (VITA) in February, Dress For Success Clothing Drive in March, and continuing the eyeglasses and cell phone collection throughout the year.

The next Director's Meeting will be held at JFMIP on January 11, 2004.

If you would like more information concerning items discussed at the Board meeting, please contact Dan Christovich at dchristovich@comdt.uscg.mil or 202.267.0443.

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Governmental Audit Quality Center Launched by AICPA

The American Institute of Certified Public Accountants (AICPA) announced the formation of a Governmental Audit Quality Center on September 27, 2004. The Center, which is now accepting member applications, is a firm-based, voluntary membership center designed to promote the importance of quality governmental audits and the value of such audits to purchasers of governmental audit services.

Governmental audits include a wide variety of audit or attestation engagements, including audits of federal, state, and local governments; not-for-profit organizations, such as colleges and universities, hospitals, and charitable organizations; and certain for-profit entities, such as housing projects and colleges and universities, which participate in government programs or receive governmental financial assistance.

The mission of the Center is to:

- Raise awareness about the importance of governmental audits.
- Serve as a comprehensive resource provider on governmental audits for member firms.
- Create a community of firms that demonstrates a commitment to governmental audit quality.
- Provide Center members with an online forum tool for sharing best practices as well as discussions on audit, accounting, and regulatory issues.
- List member firms to enable purchasers of governmental audit services to identify firms that are members.
- Provide information about the Center's activities to other governmental audit stakeholders.

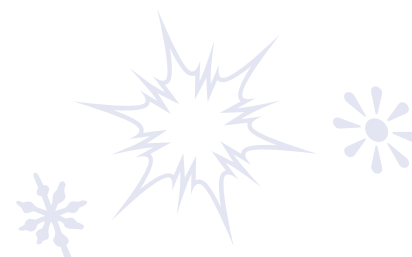
"State and local governments, not-for-profit organizations, and certain for-profit organizations receive billions of dollars in governmental financial assistance each year and, as a result, are subject to a myriad of unique and complex audit requirements. CPA firms that join the Governmental Audit Quality Center demonstrate their commitment to employing the highest quality audit practices when performing these governmental audits," AICPA Chairman S. Scott Voynich said. "In addition to gaining access to best practices, guidelines, and tools focused around quality governmental audits, members demonstrate their commitment to audit quality by agreeing to and meeting specific Center membership requirements," he added.

"The Center is intended to make a direct statement to members of our profession about the importance of their audit performance," said Susan Coffey, AICPA Vice President, Audit Quality and Professional Ethics. "The Center will give members the tools they need to adhere to a high standard of quality. It will also be a place where firms dedicated to quality governmental audits will share best practices, learn about emerging issues, and take steps to enhance quality in their practices."

The three new Audit Quality Centers, which were approved by the AICPA's Governing Council in Fall 2003, focus on audits performed in three areas of critical importance to the public interest—public company audits, employee benefit plan audits, and governmental audits. The Center for Public Company Audit Firms was established in January 2004 and offers enhanced resources to firms that audit publicly traded companies. It was followed in March 2004 by the launch of the Employee Benefit Plan Audit Quality Center for CPA firms performing employee benefit plan audits. The Governmental Audit Quality Center, designed to help CPA firms meet the challenges of performing quality governmental audits, is the third Audit Quality Center to launch this year.

The Governmental Audit Quality Center website is www.aicpa.org/gaqc, with a single access point to the latest developments in governmental audits, and is now available to those wishing to learn more about the Center or to join.

The American Institute of Certified Public Accountants (www.aicpa.org) is the national, professional organization of CPAs, with more than 340,000 members in business and industry, public practice, government, and education. It sets ethical standards for the profession and U.S. private auditing standards. It also develops and grades the Uniform CPA Examination. For more information, contact Anne Sittmann, asittmann@aicpa.org, 202.434.9213 or Joel Allegretti, jallegretti@aicpa.org, 212.596.6111.



OMB Issued Financial Management Report

The Federal Government is moving forward in achieving the higher performance financial management goals set out in the President's Management Agenda (PMA). To that end, the Office of Management and Budget's (OMB) "Federal Financial Management Report 2004" ("the Report") details the federal government's successes in achieving parity with the financial management practices of well-run non-governmental financial management organizations. The Report also presents the challenges that remain in meeting the PMA's Improved Financial Performance Initiative goal of achieving respectability in the government's financial management practices.

Enhanced cooperation among stakeholders, including the Chief Financial Officers (CFO) Council and OMB, is helping to efficiently and effectively plan, manage, and execute the financial management system architecture of the future. For example, the Report highlights the progress made by agencies in meeting accelerated reporting deadlines. Where it took agencies five months to prepare audited financial reports in the past, it now takes 45 days for many and only two-and-a-half months for most. Interim reports, unheard of before 2002, are now being completed just 21 days after the close of each quarter. Accelerated reporting alone, however, is not the ultimate objective. Rather, the incorporation of timely and accurate financial information into management decision-making and operational assessment continues to be the federal government's main goal.

In addition, the Report focuses on two emerging issue areas: internal control and the reporting of information on social insurance programs. The internal control environment of any entity is an area of focus for both management and the auditor, and the federal government is no exception. Agency compliance with the Federal Manager's Financial Integrity Act (FMFIA), Federal Financial Management Improvement Act (FFMIA), and Federal Information Security Management Act (FISMA) is essential, and all agencies are continuing to make progress in eliminating barriers to full compliance.

Directing attention to social insurance programs, the Report notes that the Financial Accounting Standards Advisory Board (FASAB) in fiscal year 2003 issued a new standard requiring that the Statement of Insurance, which is currently reported in the stewardship section of the Financial Report, become a basic financial statement with full audit scrutiny. By providing estimates for important components of the Social Security and Medicare programs, this Statement will enhance the value and prominence of what is one of the most extensively presented components of the *Financial Report of the United States Government*.

Achievements notwithstanding, OMB and the CFO Council will accept nothing less than a standard of financial management as high, if not higher, than that of the private sector. Therefore, it is incumbent upon every financial management professional in the government to execute his or her duties according to the standards of excellence consistent with this stewardship responsibility.

AGA WASHINGTON DC, CHAPTER

*Wishes you
Happy Holidays*



Accountability Reporting Trends & Techniques

KPMG, LLP, the audit, tax, and risk-advisory firm, is offering a survey of information and techniques used by a number of federal agencies in preparing their annual Performance and Accountability Reports. The survey, *Accountability Reporting Trends & Techniques (ART&T)*, is a valuable resource for improving an agency's Performance and Accountability Report, by providing a sampling of the contents of these reports and the approaches used in putting them together.

"We view this survey as a public service," said John Hummel, KPMG partner and Federal National Industry Director. "It is chock-full of information, not just for people who prepare these reports, but for anyone in the federal arena who is interested in performance and financial reporting."

The ART&T provides numerous useful ideas and examples for organizing and preparing the report. The material is excerpted and reproduced directly from the agencies' Performance and Accountability Reports. Included with each example is the page number on which the excerpt appears in the printed Performance and Accountability Report and a hyperlink to the electronic version of the report so the reader can directly review the material.

The ART&T was written by Harold I. Steinberg, retired KPMG LLP Partner and former Deputy Controller/Acting Controller, Office of Federal Financial Management, Office of Management and Budget. It is modeled after the widely recognized Accounting Trends and Techniques published by the American Institute of Certified Public Accountants. That document surveys accounting and reporting practices in annual reports to shareholders across a wide variety of private sector industries.

Taking into account the various governmental directives concerning the preparation of Performance and Accountability Reports, the ART&T identifies each of the elements that is to be included in the reports, plus others that traditionally have been included, and describes the essentials of each element. This year's ART&T provides two new pieces of information:

- The first describes the approaches agencies are using to meet the reporting requirements of the newly enacted Improper Payments Information Act.
- The second notes many of the types of management and performance challenges facing the agencies, as reported by the Inspectors General.

Among the highlights this year, the ART&T shows that a number of agencies are taking steps to make their reports more attractive and readable. For example, some agencies are shortening the length of the report's text so it is more inviting to the reader. Other agencies are adopting the use of more charts, photographs, and other graphics to make comprehending the data easier. Many provide glossaries of acronyms — commonly understood among federal agencies — and other terms.

Agencies are also taking steps to make their reports more readily available. All of the agencies surveyed have posted their Performance and Accountability Reports on the Internet and have listed the web address somewhere on the printed document. Other agencies put the report and/or supplemental information onto a CD-ROM, and some prepared a summary report.

The ART&T is divided into six sections. The first section addresses various overall matters such as the basic content, length and titles of the reports and how to obtain copies. Section 2 presents the manner in which the agencies organized their reports, including observations about the variety of presentation of appendices, tables, cover art, and general content. Sections 3–5 provide a comprehensive discussion of the three primary components of a Performance and Accountability Report: Management's Discussion and Analysis, the Performance Section, and the Financial Section. The final section discusses an increasingly popular agency practice, that of producing a "summary report" in addition to the full Performance and Accountability Report. In this way, agencies provide their results for individuals who require less detail than the full report.

The complete report is available electronically in PDF format at: www.us.kpmg.com/federal/. Printed copies of the publication are available — while supplies last — by sending an e-mail request to slbarnes@kpmg.com. Be sure to include your name, agency, and address.

Comments and questions can be directed to John Hummel, Federal National Industry Director, KPMG LLP, 2001 M Street NW, Washington, DC 20036.



Updates of the GAO/PCIE Financial Audit Manual

The Government Accountability Office (GAO) and the President's Council on Integrity and Efficiency (PCIE) jointly maintain the GAO/PCIE Financial Audit Manual (FAM). The FAM provides guidance for performing financial statement audits of federal entities. In July 2004, GAO and PCIE issued two updates of the FAM. The updates incorporate the provisions of Statement on Auditing Standards (SAS) 99, *Consideration of Fraud in a Financial Statement Audit*, and provide an updated *Checklist for Federal Accounting, Reporting, and Disclosures*.

Consideration of Fraud in a Financial Statement Audit (see GAO-04-1015G)

The auditor continues to have a responsibility to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Two types of misstatements are relevant to the auditor's consideration of fraud—misstatements arising from fraudulent financial reporting and misstatements arising from misappropriation of assets. In considering misstatements arising from misappropriation of assets, the auditor should consider fraud risks associated with improper payments. The Improper Payments Information Act of 2002 (Public Law 107-300) defines improper payments as any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements.

Three conditions, collectively called the "fraud triangle," generally are present when fraud occurs:

- Incentive/pressure—Management, other employees, or external parties have an incentive or are under pressure, which provides a motive to commit fraud.
- Opportunity—Circumstances exist that provide an opportunity to commit fraud.
- Attitude/rationalization—Individuals involved are able to rationalize committing fraud.

Although fraud is usually concealed, the presence of fraud risk factors that indicate incentive/pressure, opportunity, and attitude/rationalization might alert the auditor to a significant risk of fraud. However, fraud risk factors do not necessarily indicate that fraud exists. The FAM update includes examples of fraud risk factors. For example, the existence of excessive pressure to meet unrealistic deadlines represents a fraud risk factor related to incentive/pressure for misstatements arising from fraudulent financial reporting.

The FAM update emphasizes that the auditor should exercise professional skepticism—an attitude that includes a questioning mind and a critical assessment of audit evidence—throughout the audit. The auditor should maintain a mindset that recognizes the possibility that material misstatement due to fraud might be present, regardless of any past experience with the entity and regardless of any belief about management's honesty and integrity.

To identify potential fraud risks, all audit team members who have significant responsibilities in planning and performing the audit should participate in one or more brainstorming meetings. In these meetings, they should discuss how and in what areas the financial statements could be susceptible to material fraudulent misstatement, how such frauds could occur, how management could override controls, and how the auditor might respond to these risks. They should consider known fraud risk factors and set an appropriate tone of professional skepticism for conducting the audit.

Fraud risks might be identified as a result of replies to inquiries. To obtain information about fraud risks, the auditor should make certain inquiries of management; other entity personnel, generally at various levels and in various areas; the audit committee or others with equivalent authority and responsibility; and internal auditors. Other sources of information include Inspector General reports, documentation related to the Improper Payments Information Act of 2002, and preliminary analytical procedures.

The auditor should identify fraud risks by evaluating the information obtained from the procedures described above, with a focus on the fraud triangle, and evaluating the possibility that management could override controls. If the auditor concludes that improper revenue recognition does not represent a fraud risk, the auditor should document the reasons supporting that conclusion. Further, the auditor should evaluate the internal controls of antifraud programs. Absence of, or deficiencies in, antifraud programs and controls can represent reportable conditions. The auditor should assess the identified fraud risks, taking into consideration the results of procedures related to antifraud programs. In making this assessment, the auditor should consider all significant aspects of each identified fraud risk, including the type of misstatement risk, significance and pervasiveness of the risk, and the likelihood that it could result in a material misstatement.

The auditor must respond to the assessed risks of material misstatement due to fraud. The nature and significance of these fraud risks, as well as programs and controls that address identified fraud risks, influence the auditor's response. The auditor should use professional judgment in determining the appropriate response for the circumstances and exercise professional skepticism in gathering and evaluating audit evidence. The response should (1) have an overall effect on the conduct of the audit, (2) address fraud risks that relate to management override of controls, and, (3) for any of these risks that relate to specific financial statement account balances or classes of transactions and related assertions, involve the nature, timing, and extent of audit procedures

Updates of the GAO/PCIE Financial Audit Manual, continued on page 23.

Updates of the GAO/PCIE Financial Audit Manual (continued from page 22)

It is important that the auditor design and document audit procedures that respond specifically to the assessed risks of material misstatement due to fraud. Responses having an overall effect on the conduct of the audit involve the assignment of personnel and supervision, review of accounting principles, and the unpredictability of audit procedures. Responses to fraud risks related to management override of controls include examining journal entries and other adjustments, reviewing accounting estimates, and evaluating the rationale for significant unusual transactions. The FAM update contains examples of responses involving the nature, timing, and extent of audit procedures.

The auditor's consideration of fraud risks should be ongoing throughout the audit. Near the completion of fieldwork, the auditor should evaluate whether the audit test results indicate the need for a change in the assessment of the fraud risks made earlier or the need for additional or different audit procedures. The auditor should perform overall analytical procedures related to revenue, if material (or expected to be material); consider whether any other audit evidence or responses to inquiries during the audit might indicate previously unrecognized fraud risks; and consider whether any identified misstatements might be indicative of fraud. The auditor with final responsibility for the audit should assure that appropriate communications about fraud risks have occurred among the audit team members.

The auditor should evaluate the implications of any fraud or possible fraud that is detected. The FAM update includes guidance related to consultation, communications, and reporting when fraud or possible fraud is detected.

The FAM update requires the auditor to obtain enhanced management representations related to fraud. For example, management acknowledges its responsibility for the design and implementation of programs and controls to prevent and detect fraud. Further, the FAM update provides specific guidance for documentation related to the auditor's consideration of fraud.

The primary revisions to incorporate the provisions of SAS 99 affect FAM sections 260, 290, 295 I, 540, 590, 1001, and 1001 A. In addition, the update requires the auditor to be alert for indications of abuse (as discussed in *Government Auditing Standards: 2003 Revision* (GAO-03-673G), commonly known as the "Yellow Book"); conforms various paragraph citations to the 2003 Yellow Book; and makes other conforming changes.

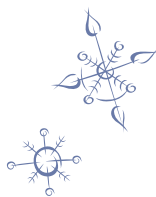
Checklist for Federal Accounting, Reporting, and Disclosures (see GAO-04-942G)

The checklist, which is located in section 1050 of the FAM, was previously named the *Checklist for Reports Prepared Under the Chief Financial Officers Act*. The FAM update changed its name to reflect the checklist's potential application to any federal entity that prepares audited financial statements in accordance with the Office of Management and Budget's (OMB) form and content guidance. This checklist can assist agencies in preparing such financial statements and auditors in auditing them. It is intended to help provide for a systematic, organized, and structured approach to preparing or reviewing agency financial statements.

The checklist includes an overview section, a section related to general items in the financial statements, a section for each of the six financial statements, and three additional sections. These three sections cover disclosures in the notes to the financial statements related to significant accounting policies, required supplementary stewardship information and required supplementary information, and social insurance. Each question in the checklist is referenced to a source, such as the Statements of Federal Financial Accounting Standards or the OMB form and content guidance. FAM paragraph 1003.05 requires use of this checklist or an equivalent checklist in audits performed under the FAM.

The FAM updates are effective immediately upon issuance. They were issued earlier as exposure drafts on the Internet and include changes based on comments received. The updates and the FAM, as amended for these and previous updates, are available at either the GAO website (www.gao.gov) or the PCIE website (www.ignet.gov/pande/audit1.html#guide). If you have questions about the FAM, please contact Kent Bowden of GAO at 202.512.5270.





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February 7 - 8, 2005, in Washington, DC

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 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.

Don't miss this chance to network with your peers and share solutions to common challenges. We look forward to seeing you.

Conference Registration Fees

Your conference registration includes entrance to all education sessions and the Exhibit Hall, 2 continental breakfasts, 4 refreshment breaks, 2 luncheons, a registration tote bag and the ability to earn up to 14 CPE hours.

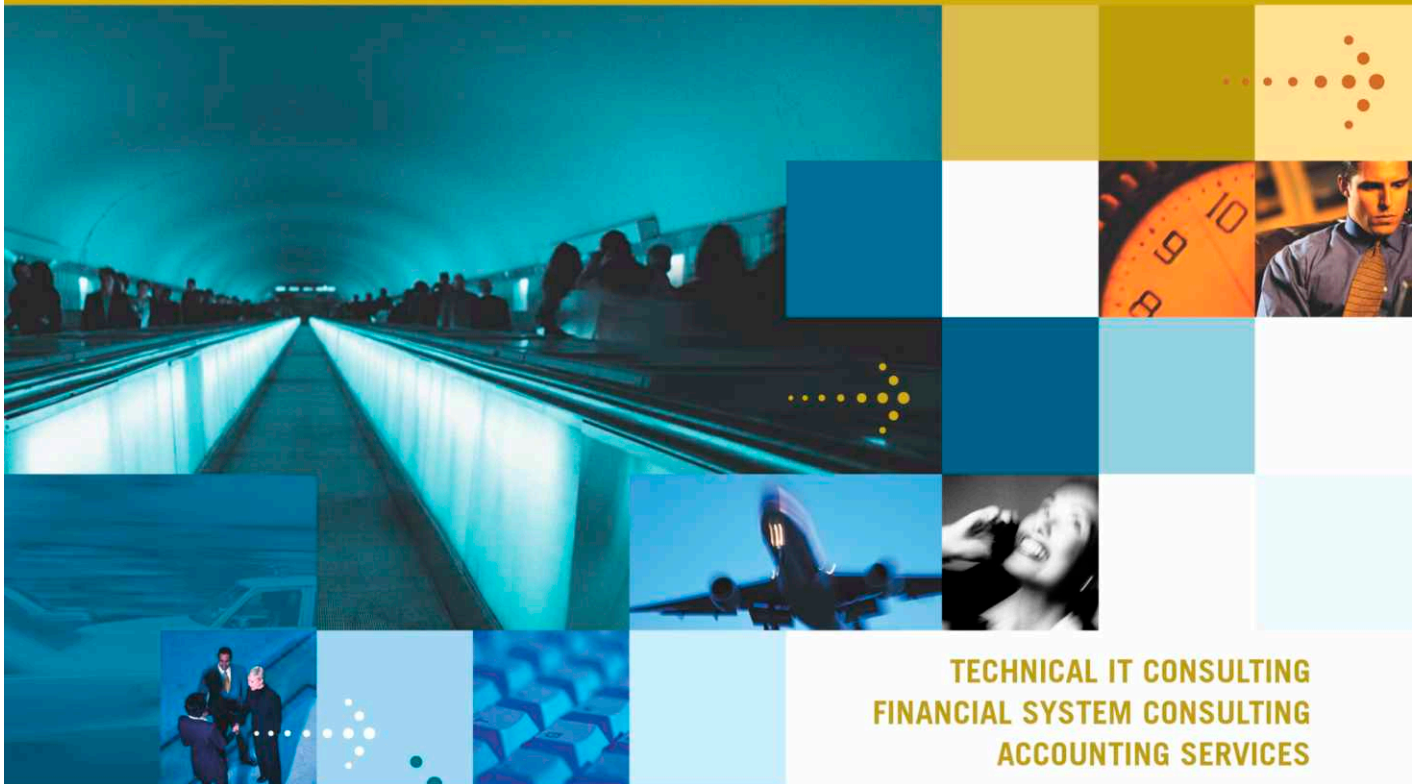
AGA Member	Fax/Mail	Online
Early Rate (By 01/14/05)	\$500	\$475
Standard Rate (After 01/14/05)	\$600	\$575
Non-Member	Fax/Mail	Online
Early Rate (By 01/14/05)	\$675	\$650
Standard Rate (After 01/14/05)	\$775	\$750

Register online with a credit card, (<https://members.agacgfm.org/source/security/member-logon.cfm?origin=meetings>) or download a printable registration form (http://www.agacgfm.org/conferences/downloads/nlc05_reg.pdf) and send a fax to 703.548.9367, or mail to: AGA Conference Registration, 2208 Mt. Vernon Avenue, Alexandria, VA 22301.

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