



**AGA Washington Chapter
Monthly Luncheon and CPE Session
Thursday, February 5, 1998**

Our monthly luncheon meeting on Thursday, February 5, 1998, will feature Karen Cleary Alderman, Executive Director of the Joint Financial Management Improvement Project (JFMIP) who will speak about the JFMIP agenda. The Chapter will also sponsor a CPE event following the luncheon. The session will cover Audit Sampling and will be presented by Mr. Abraham Akresh of the General Accounting Office (GAO). See page 8 for Mr. Akresh's biography. In addition to the luncheon meeting and CPE event at the Grand Hyatt Hotel, the membership committee has arranged a happy hour that night at the Capitol City Brewing Company in the Postal Square Building next to Union Station.

**Grand Hyatt Hotel
1000 H Street, NW
(At Metro Center - 11th Street Exit)**

11:30 am	Social
12:00 noon	Luncheon & Discussion
1:15 to 3:15 pm	CPE Session
Luncheon cost:	Members \$17.00; Non-members \$22.00
Luncheon & Session:	Members/Nonmembers \$35.00
CPE Session Only:	Members/Nonmembers \$25.00

Please call (703) 758-4080 and select option 1 to make your reservation by Monday, February 2, 1998.

Upcoming events:

- February 7 - Chinese New Year's Dinner (see flyer)
- February 12 - Update on the GPRA (see page 12)
- March 20 - Washington Capitals game
- March 22 - Post St. Patrick's Day Celebration

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*Karen Cleary Alderman,
Executive Director of the
Joint Financial
Management Improvement
Program (JFMIP)*

Luncheon Speaker

On January 5, 1998 Karen Cleary Alderman became Executive Director of the Joint Financial Management Improvement Program (JFMIP) assuming responsibilities for developing and directing inter-agency projects to improve financial management in the federal government. High on her agenda is supporting the CFO Council initiative to facilitate and expand use of commercial off-the-shelf software. The JFMIP is establishing a Program Management Office (PMO) to revitalize the federal financial systems software process and to establish a new process to certify that federal financial system software supports JFMIP systems requirements.

Ms. Alderman served as the Director for Performance Measures and Results and Travel Reengineering at DoD where she was responsible for implementation of the GPRA and spearheaded the DoD Travel Reengineering initiatives. She has over twenty years experience in analysis; research; policy evaluation; economics; planning, programming, budgeting and manpower; and personnel management. She also served as Director of Plans and Resources, Director of Productivity and Civilian Requirements, and as Acting Deputy Assistant Secretary of Defense for Civilian Personnel Policy. Prior to joining DoD, Ms. Alderman was research associate at George Washington University's Center for Manpower Policy Studies, served on the staffs of the Presidential Commission on Military Compensation and the Defense Resources Management Study, and served as a consultant to government and industry on workforce and manpower issues.

Ms. Alderman co-authored books on the military as an employer, veteran's issues, and women's labor force and child care issues. Ms. Alderman is a CGFM and earned a Bachelor of Arts in political science from Rosemont College and a Masters of Arts in public affairs from George Washington University. She is active in professional associations including the American Society of Military Comptrollers and AGA. Ms. Alderman resides in Virginia with her husband Kim and her four children, Sean, Chris, Mike, and Meg.

President's Message



William J. Anderson, Jr., CGFM, President

In July 1994, AGA initiated the Certified Government Financial Manager (CGFM) program. This professional designation is the only certification program designed specifically to recognize the unique skills and special knowledge required of professionals who specialize in government financial management.

To attain the CGFM designation, applicants must meet the program's strict education and experience requirements, agree to adhere to AGA's Code of Ethics, and pass all three separate examinations that comprise the CGFM examination. In addition, to retain the CGFM designation, certificate holders are required to complete at least eighty hours of continuing professional education (CPE), in government financial management topics or related technical subjects, every two years.

The CGFM CPE requirements are based on the premise that all CGFM's should maintain and enhance their professional proficiency in government financial management. CGFM's have wide latitude in selecting suitable CPE. Determining what topics and subjects are appropriate for individual CGFM's to satisfy the CPE requirement is a matter of professional judgment to be exercised by the CGFM. Among the considerations in exercising that judgment are the CGFM's experience, the government financial management area(s) in which they work, and the responsibilities they assume in performing government financial management functions.

CPE in topics and subjects that meet the CPE requirements of licensing bodies (such as state boards of accountancy) or other professional organizations would satisfy the CGFM CPE requirement providing that the CPE maintains or enhances the CGFM's professional proficiency in government financial management.

The chapter's total education program (i.e., monthly luncheon meetings, monthly afternoon sessions, and full-day sessions) provides a cost effective way to earn the CPE hours needed for your CGFM certification renewal, the Government Auditing Standards CPE requirements, or other CPE requirements. For example, by annually attending each of the Chapter's nine monthly luncheons and afternoon CPE sessions you can earn twenty-seven CPEs. Along with these CPEs, your attendance at just one of our all-day sessions will give you a total of thirty-five hours of CPE. Keep this benefit in mind, especially when you recruit new members, as it provides yet another outstanding incentive to belong to AGA's Washington Chapter.

If you missed our last all-day CPE event in November, you have another opportunity on Thursday, February 12, when we present our "Update on the GPRA" at the J.W. Marriott Hotel (see pages 12 and 13 for details). Mark your calendar and register now for this session, which is co-sponsored by the CFO Council GPRA Committee.

Our special thanks go to those who came to the Champagne Jazz Buffet Brunch at the Market Inn last month. The food was excellent and a good time was had by all. This month's happy hour is at the Capitol City Brewing Company in the Postal Square Building next to Union Station. I also hope to see you at our Chinese New Year's Dinner on Saturday, February 7th at Charlie Chiang's. Also, please mark your calendar for Sunday, March 22nd for our post St. Patrick's Day celebration at The Dubliner Restaurant & Pub at 520 N. Capitol St. NW, from 2:00 to 5:00 pm.

Everyone is welcome to our monthly luncheon meetings, and we look forward to seeing as many of you as possible each month. When you make a reservation for the luncheon, it greatly helps the Chapter, the Grand Hyatt, and you. It allows us to arrange for a room large enough to comfortably accommodate all those attending, know in advance the number of tables to ask the hotel to prepare, and ensure enough meals are ordered so that everyone attending can eat at the same time. So please, remember to make your reservation for our monthly luncheon meetings.

P.S. Washington Capitals fans: we have thirty tickets for the 7:00 pm, Friday, March 20th game with the New Jersey Devils at the new MCI Center. The tickets are \$20 each (normally \$40) plus it is a give-away-night (i.e., cooler bag). Call the AGA voice mail line now to reserve your tickets.

Bill

The Chapter has earned 7,930 points in the chapter recognition program as of November 1997

A Banner Second Year for the Toys-For-Tots Drive!

By Marcia Caplan, Toys-for-Tots Chairperson

The Toys-For-Tots Drive, conducted in association with our Holiday Reception, was again a great success. Thanks to the generosity of our members, we were able to double our cash donation over last year and provide over seventy toys for Washington DC, Maryland, and Virginia children.

Our final total of \$1,480 had the buying power of \$2,960 for the purchase of additional toys thanks to a toy manufacturer who contracted to discount fifty percent on Toys-for-Tots purchases from the Marines. We received two personal donations of \$100 and \$500 that I again want to acknowledge, and, as I promised not to embarrass anyone by name, I do applaud your generosity.

Everyone seemed to enjoy taking part in the event by donating cash or a check or dropping a toy in the box. Staff Sergeant Frank Strom and Sergeant Stephen Griffiths represented the Inspector-Instructor Staff from the U.S. Marine Corps Reserve, Anacostia Naval Station. They personally thanked each AGA member who participated and presented a certificate of appreciation to Bill Anderson, Chapter President. During the event, I was informed that the results of our drive were equal to events where 2,000 or more people participated. Considering we had about 120 people at the holiday reception, this was quite a success.

I would like to thank Michelle Lewis for helping to make this a second successful year and Les Murray for filling in at our booth so that I could have some holiday brunch. I also want to acknowledge PeopleSoft Inc. for collecting funds as part of their community service effort and coming in with a generous donation. Next year, I want to challenge other government agencies and independent firms to do the same.

It was definitely a great effort for us with the Toys-for-Tots Drive and, with the type of membership support that was displayed, we will continue this good work in the future. It will be a challenge to continue surpassing each goal we have set, but I feel confident that our membership can rise to the occasion. My personal thanks to each and every one of you who displayed what is the best part of the holiday spirit in sharing with others.

Mailing the newsletter to our entire membership is expensive. If you were able to receive the newsletter electronically complete with photos and graphics would you be interested in receiving the newsletter this way instead of a printed copy through the mail? Please let us know your thoughts by email to rbuchanan@anteon.com or michael.sciortino@us.coopers.com

Highlights of the December 17, 1997 Executive Council Meeting

By Judy Czarsty, Secretary

- The Washington Chapter had 1,420 members at the end of October.
- The Chapter has earned 7,930 points in the Chapter Recognition Program as of November 1997.
- The next all-day educational event will be on February 12, 1998 at the J.W. Marriott. The event is titled "Update on the Government Performance and Results Act." There will be a \$20 discount for persons paying by cash, check, or credit card. The cost for members will be \$155 or \$135 with the discount. Nonmembers will pay \$175 or \$155 with the discount. Government training forms will still be accepted.
- The Toys-for-Tots Campaign and annual Holiday Reception was a success again this year. Cash contributions were up more than fifty percent. Thanks to your generosity, more children had smiles on their faces at Christmas!

Join Us at a Happy Hour

Where: The Capital City Brewing Company, located at the Postal Square Building next to Union Station

When: February 5th from 5:00 to 7:00 pm

Summary of Luncheon Speaker's Remarks: Frank Sullivan Talks About a New Age in Government Accounting

by Edward E. Baxter, Assistant Editor

The government is entering a "new age in accounting" according to the January luncheon speaker, Frank Sullivan, the Veteran Administration's Deputy Secretary for Financial Management. Sullivan said the government continues to focus more on strategy, performance measurement, and information analysis, "moving away from simply collecting historical data and reporting it, most of which follows prescribed formats."

"Even though you're probably tired by now of the word "accountability," the public is now demanding that the government be more accountable over how it spends it's money," Sullivan said. Recent legislation and FASAB standards have made the 90's what Sullivan described as "the decade of accountability"—including such landmark legislation as the 1990 Chief Financial Officers Act, the 1994 Government Management Reform Act, the 1994 Government Performance and Results Act, and FASAB Statement Number Four—Managerial Cost Accounting—Concepts and Standards." All of these place responsibility on agency managers to identify their cost accounting needs and put systems and policies in place that will provide useful cost information to managers in carrying out public policy.

Cost accounting is a necessary tool in meeting the challenges of this new age, according to Sullivan. First, financial and program managers should be provided with

better information for which to make better decisions. Second, agencies are franchising their services to other entities through cross-servicing arrangements on a fee-for-service basis. Cost accounting becomes important

in ensuring that fees are fully recovering an agency's cost. Additionally, agencies acquiring these services need assurance they are making the most cost effective business decision in deciding on a service-provider or whether to maintain the service in-house.

Further, under the Results Act, agencies must have a performance measurement system in place. The Results Act "is certainly placing more pressure on the need for good cost information. You can't measure what you can't count on," Sullivan said. Cost accounting, if properly implemented, provides for understanding the real cost of doing business, Sullivan added. "By showing that we know what our true costs are, it holds the potential in helping to reestablish the faith of the American public in how our government works."

Sullivan emphasized that the government needs a better formula to measure program cost. Today's way of budgeting, accounting, and reporting "just doesn't paint a clear picture," according

to Sullivan. "The appropriation structure is unnecessarily complex—at the Veteran's Administration, for example, medical care for our veterans is funded through



Frank Sullivan speaking about the new age in government accounting, which he emphasized includes a focus on cost accounting.



Luncheon attendees listen as Frank Sullivan presents his views on Federal government cost accounting.

(Continued, next page)

(Speaker's Remarks, continued)

six different appropriation accounts and six other non-appropriated programs. Limitations are placed on how capital funds may be used and for what programs they may support, making management of the programs inflexible," Sullivan added.

"The Managerial Cost Accounting Implementation Guide" was developed by the CFO Council Cost Accounting Committee through the dedication and contributions of over seventy individuals from thirty agencies. Furthermore, over 100 federal employees from over sixty agencies attended early meetings to identify over sixty cost accounting issues that needed to be addressed.

The purpose of the guide is to aid agencies in implementing cost accounting and bring some consistency across government, according to Sullivan. Highlighting several important parts of the guide, Sullivan said one of its most significant attributes is that it helps move agencies toward a consistent way of recognizing costs down to a program or activity level.



Program Chair, Joe Donlon, thanking Mr. Sullivan for his luncheon presentation.

Sullivan then discussed the specific skills which employees will have to obtain in this new era of accounting. "Aside from investing in setting-up a cost accounting process and system, as we move to this 'new accounting' we will require staff with a different skill mix,"

Sullivan said. "We will need people who are strong in analysis, given the performance data we will be dealing with." Agencies will also need professionals with the requisite cost accounting skills and need to develop viable internal training programs. "From my own experience, educating employees about the principles and mechanics of cost accounting is the most difficult task for us to achieve," he said. Implementing a cost accounting

process is not optional and we need to drive that message home to our managers" Sullivan concluded.

Ed Baxter, Assistant Editor, has accepted a DFAS position in Naples, Italy. We thank him for his contributions to the monthly newsletter and wish him luck in his new assignment.

February and March 1998 Courses at the Inspectors General Auditor Training Institute (IGATI)

February 1998	
2-6	Auditing in the EDP Environment
17-18	Making Effective Audit Presentations
18-19	Advanced Audit Tools and Tech: Aud. Mgr.
23-24	Federal Financial Auditing II
March 1998	
2-6	Fraud Auditing
2-4	Writing Successful Audit Reports
16-20	Federal Financial Auditing III
23-27	The Audit Process: An Overview for Non-Auditors
3/30-4/3	Auditing in the EDP Environment

To register for any of these courses or if you have any questions, please call Gale Moore, Registrar, at (703) 805-4501. An SF182, SF1556, other training authorization forms, or personal checks may be sent to Registrar, IGATI, P.O. Box 518, Ft. Belvoir, Virginia 22060 or faxed to (703) 805-4503. All classes are held at 5500 21st St., Ft. Belvoir, Virginia. Special arrangements can be made to have dedicated classes given on-site. Please call for details.

“20,000 by 2000” and “2,000 by 2000”

By Mike Noble, Membership Director

Our multi-year recruitment campaigns—“20,000 by 2000” for National and “2,000 by 2000” for the Washington Chapter—are in full swing and providing momentum for the recruitment of new members. You’ve been listening and recruiting, and the results are just starting to come in. The following list contains some of the new members who joined last Fall:

Angelo F. Arcari, CGFM
 Doris A. Bond
 Karen Botvin
 C. Gaston Burneo
 Gregory A. Cappucci
 Suzanne Cole
 Lisa M. Johnson, CGFM
 Kathie Karmazin
 Antonio Machorro
 Kenneth A. Mann
 Gerard P. Reyes, CGFM
 Karen A. Schroeder
 Lurethia Sykes, CGFM
 Evelyn M. Upchurch
 Dennis Frank Willard

In addition, several members of other chapters joined us either by transferring their membership or by electing dual membership. These people are:

Craig W. Feight
 Leon Fleischer
 James R. Rivera
 Heidikitt Winter

Welcome! We are glad to have you! Recruitment packages are available at the monthly luncheon meetings, usually on the registration table. They are also available on AGA’s web page at www.agacgfm.org. If you would like me to mail a recruitment package to you or a potential recruit, call me at (202) 622-6410, or e-mail at mike.noble@cfomail.fin.irs.gov.

Annual Dues Renewal Reminder

AGA will be mailing annual dues renewal notices out along with the CGFM renewal in early February (CGFM renewal only applies to those individuals who were awarded the designation on or before December 31, 1995). Please renew your membership and pay your dues by March 31, 1998.

AGA Home Page

Have you visited AGA’s home page recently? If not, you are in for a surprise! April Jones, AGA’s Publications Assistant,

has been busy redesigning and making the site more user friendly. Check it out at www.agacgfm.org.

Social Events

The next monthly “happy hour” is at the Capitol City Brewing Company in the Postal Square Building, 2 Massachusetts Ave. NE (next to Union Station), on February 5th from 5:00 to 7:00 pm.

The following Saturday, February 7th, from 6:00 to 9:00 pm, AGA is celebrating the Chinese New Year at Charlie Chiang’s Restaurant at 4250 Connecticut Ave. NW (at Van Ness St.). Former Chapter President Sam Mok arranged this gastronomic event in honor of the Year of the Tiger. There is free indoor parking (pay \$2 at the garage and receive a \$2 refund in the restaurant) and the UDC Metro stop is only a few steps from the restaurant door (at the top of the long escalator, take the left form to cross under Connecticut Ave.). See the flyer insert in this newsletter for details and menu. Please register for this event by calling the AGA voice mail line at (703) 758-4080 and select option 4.

On Friday, March 20th, we have thirty tickets for the Washington Capitals vs. New Jersey Devils hockey game at the MCI Center. Tickets are \$20 each (normally \$40) plus it is a give-away night with cooler bags. Reserve your tickets now by calling the AGA voice mail line or by calling Mike Noble at (202) 622-6410. Payment must be made in advance by mailing a check to our post office box (address on the front of this newsletter) or by paying Mike Noble at the March luncheon. Game time is 7:00 pm. There is paid parking in the area or take the Metro to Gallery Place-Chinatown. Come check out the exciting new MCI Center! Please call the AGA voice mail line at (703) 758-4080 and select option 5.

Sunday, March 22nd, will be AGA’s post St. Patrick’s Day celebration at The Dubliner Restaurant & Pub, 520 N. Capitol St., NW (2 blocks from Union Station). This will be similar to a happy hour in that there is no set price—you pay for whatever drinks and food you order. After February 7th, please register for this event by calling the AGA voice mail line.

Note that we ask you to register for many events that do not require advance payments. This is to get an estimate of the number of people planning to attend so that the restaurant, pub, etc. can reserve enough seats for us and prepare enough food. Please register on the AGA voice mail line when you are planning to attend.

<p>Unlimited Career</p>	<p style="text-align: center;">Today's top Financial Professionals have one thing in common...</p> <p style="text-align: center;"><u>Our business card.</u></p> <p>Qualifications:</p> <ul style="list-style-type: none"> • A BS in MIS, Accounting, Business or a related discipline. • Experience in Federal Regulations: JFMIP * US Standard General Ledger * US Treasury Regulations and Policies * OMB Circulars * CFO Act of 1990 • Knowledge of software: People Soft * Oracle Financials * SAP R/3 * AMS - FFS * CDSI (i.e. FARS) <p>Please send resume and requirements to: Coopers & Lybrand, LLP Attn.: Mark Bradley 1530 Wilson Boulevard Arlington, VA 22209 Fax: 703-908-3052 / 1695 email: mark.bradley@us.coopers.com</p> <p style="text-align: center;">Coopers & Lybrand</p>
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Biography of CPE Presenter: Abraham Akresh, U.S. General Accounting Office



Abraham Akresh, CPA, CGFM

Abraham D. Akresh is assistant director in the Consolidated Audit and Computer Security Issues Group. He manages various quality control projects, including updating parts of GAO's Financial Audit Manual, conducting an annual inspection of GAO's quality control system for financial audits, and preparing for peer review. Under Mr. Akresh's direction, GAO received an unqualified opinion on its

first peer review. Mr. Akresh also helps staff members solve difficult problems in audit methodology, audit sampling, computer assisted auditing, and review of computer controls.

Mr. Akresh was Distinguished Adjunct Professor at The American University, where he taught courses in auditing and accounting information systems. Before joining GAO, Mr. Akresh was the National Director for Auditing and a partner of Laventhol & Horwath. He was Chairman of the AICPA Task Force that developed the Audit Guide, Audit Sampling

(1983). Mr. Akresh has had articles published in The Journal of Accountancy, The CPA Journal, Corporate Accounting, and The Internal Auditor. He has conducted seminars for numerous professional organizations.

Mr. Akresh will conduct a training session on "how to effectively and efficiently comply with professional standards in audit sampling." Topics to be discussed include:

- When to sample and when not to sample
- When to use statistical sampling
- Types of statistical sampling and when to use them
- How much testing is enough
- Evaluating results
- Documenting the testing
- Using audit software (demonstration)

Advertisements

The Washington Connection accepts advertisements that would be appropriate for our membership, i.e., ads which relate to the financial management profession and which do not conflict with the Association's goals and objectives. Advertisement prices are:

- full page (7" x 9" ad on 8" x 11" page) \$300.00
- half page \$150.00
- quarter page \$75.00

All prices are for one printing in one issue. Advertisement copy may be provided on disk or by fax. Camera ready copy should be provided for most logos and other graphics. If you are interested in advertising in The Washington Connection, contact Bob Buchanan or Michael Sciortino by phone or email as listed below:

Bob Buchanan
Phone: (703) 246-0298
Email: rbuchanan@anteon.com

Michael Sciortino
Phone: (703) 918-3626
Email: michael.sciortino@us.coopers.com

Financial Management Web Pages:

AICPA:	www.aicpa.org
American Accounting Association:	www.rutgers.edu/accounting/raw/aaa
FASB:	www.rutgers.edu:80/accounting/raw/internet
FASAB:	www.financenet.gov/fasab.htm
IGNET:	www.sbaonline.sba.gov/ignet
FinanceNet:	www.financenet.gov
Federal Tax Code Search:	www.tns.lcs.mit.edu:80
Fedworld:	www.fedworld.gov/uscode
GASB:	www.financenet.gov
GFOA:	www.financenet.gov/gfoa
House of Reps:	www.house.gov
IRS Digital Daily:	www.irs.ustreas.gov/prod
Lib. of Congress:	lcweb.loc.gov/homepage
OMB:	www.qns.com/~ombokc/intro.htm
SEC:	www.sec.gov
Thomas Legislative Search:	thomas.loc.gov

If you know of an additional web site that is useful to financial management professionals, please let us know the address so that we may pass the information on to the membership.

The Washington Chapter will soon be establishing a Chapter web site on the world wide web and is seeking volunteers to help with maintaining the site. If you have the requisite skills and desire, please contact Dan Murrin, director of professional services/research at (202) 327-6356.

Government Financial Management



Grant Thornton LLP is recognized in business, government, and financial communities throughout the country as one of the leading accounting and management consulting firms. We challenge our personnel with the highest quality standards and encourage personal growth. We are rapidly expanding our business in many areas and have immediate career opportunities available for professionals with skills in:

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Qualified candidates are invited to send a resume to Larry Glassman at:
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**THINKING IN
 THE FUTURE TENSE**

INS Uses Activity-Based Costing for Rate-Setting.....

By Daniel Rinehuls

In January 1994, the Immigration and Naturalization Service (INS) made a public pledge to improve the management of its fee accounts. The INS Office of Budget, Fee Policy and Rate Setting Branch (Fee Branch), has successfully fulfilled this public pledge by reinventing the INS rate-setting process. The Fee Branch has implemented an established methodology for identifying the full cost of producing INS products and services that places the INS in the forefront of the Federal government Activity-Based Costing (ABC) arena.

To address the rate-setting concerns, INS formed a fee study team to identify and define fees for immigration adjudication and naturalization applications and petitions. Specifically, the INS employed the ABC methodology to assist in determining the full cost of processing these applications and petitions. The fee study team was comprised of Fee Branch personnel supplemented with contracted support from Coopers & Lybrand LLP and McNeil Technologies, Inc. Michael Natchuras, the INS' Fee Branch office chief, is responsible for developing regulatory proposals that ensure fees are set at levels that recover the full cost of providing these services. In addition, the Fee Branch is also responsible for responding to proposed fee legislation and advising the private and public sectors on the use of fees.

The INS has been charging fees for immigration adjudication and naturalization services since 1968. The fees collected from individuals filing applications and petitions are deposited into the Immigration Examinations Fee Account (IEFA) and are used to fund the cost of processing immigration adjudication and naturalization applications, petitions, and associated support services. The fees charged from 1968 to 1989 were calculated based on the average amount of time an INS employee needed to adjudicate an application. The fees did not recover any other costs related to receiving and processing immigration

adjudication and naturalization applications and, therefore, did not recover full costs. In 1989, Congress established the IEFA. The fee account replaced the annual appropriation received by the INS for such services. Today, fees collected for immigration adjudication and naturalization services are deposited into the IEFA and represent the sole source of funding for immigration adjudication and naturalization services.

INS chose ABC as the tool to more accurately identify the costs of INS products and services, specifically, IEFA-funded applications and petitions. ABC is based on the premise that managers do not directly manage organizational costs; rather, they manage the work activities that consume the costs. ABC measures the costs and performance levels of work activities by assigning organizational costs to work activities based on their resource consumption. Once the organization has determined the cost to perform each work activity, the same process is performed to assign work activities to the products and services produced by the organization. The result is a process that associates organizational resources with work activities and work activities with products and services and provides a more accurate methodology to determine organizational product and service costs.

To define and document the immigration adjudication and naturalization activities, the fee study team visited INS offices across the country and interviewed headquarters, program, and field personnel to document the activities required to adjudicate the various applications and petitions. The activity analysis resulted in an Activity Process Model (APM) which depicts the general processing path that an application follows, from beginning (initial receipt) to end (delivery of a specific benefit to the applicant or issuance of a document). The APM provided the basis for measuring the amount of resources consumed in adjudicating the various applications.

The fee study team performed a comprehensive review and analysis of historical financial data and prospective budgetary documents to identify the organizational resources supporting IEFA funded applications and petitions. This review included identifying logical, causal relationships between organizational resources and the defined APM activities. The organizational resources, immigration adjudication and naturalization activities, and resource drivers provided the foundation for determining the cost to perform each work activity.

The final step for the fee study team was associating the APM activities with the applications and petitions. Application volumes were used as the basis for assigning the APM activities to applications and petitions. To add further precision, the fee study team developed an extensive, statistically valid sample of actual processing times that accurately reflect the cycle time for each activity and application combination. The cycle times were used to weight application volumes translating into more precise assignments of activity costs to the various applications and petitions.

The result of this comprehensive review of the INS cost to receive, process, and adjudicate immigration adjudication and naturalization applications is a proposed revision to the IEFA fee schedule. The fee study specifically focused on determining the full cost of providing immigration adjudication and naturalization services and developing a rate-setting methodology that conforms to Federal cost accounting guidelines. In addition, the fee study resulted in the resolution of outstanding audit recommendations of the INS rate-setting process and a cost accounting model for other INS accounts.

The Fee Branch's work has not stopped with the development of the proposed

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(INS, continued)

revision to the IEFA fee schedule. The lengthy process of gaining acceptance and approval of the Department of Justice, the Office of Management and Budget, and the public sector has required a proactive effort to provide education on and awareness of the ABC methodology and its use at the INS. In addition to the review of IEFA funded applications and petitions, the Fee Branch has completed a review of air and sea port user fees using ABC. The INS is currently evaluating the recommendations made by the Fee Branch related to the port user fees.

To date, the clearance process has resulted in recognition of the "cutting edge" work performed and a universal acceptance of the methodology. In recognition of its efforts, the Fee Branch received the INS Commissioners' Quality and Productivity Improvement Award in November 1997.

For more information regarding the INS rate-setting efforts, contact Michael Natchuras at (202) 616-0563 or Dan Rinehuls at (703) 908-1805.

Dan Rinehuls is a Senior Associate with Coopers & Lybrand's Government Consulting Practice located in Arlington, Virginia.

VITA Needs Volunteers

The Volunteer Income Tax Assistance (VITA) Program assembles volunteers each winter to provide assistance to people who cannot afford a paid preparer and those who are unable to prepare their own return. The Washington Chapter has participated in the VITA program for many years, due to the depth of financial and tax knowledge of many of its members, and the chapter is pleased to renew its commitment for the upcoming tax season. We are looking for volunteers to work one or two evenings a week in February and March for this rewarding program. Members interested in participating or needing additional information should call Roger Von Elm at (202) 296-2020 or Robert Wheeler at (202) 622-3794.

"Internal Oversight at the United Nations" - A Joint Presentation by Karl Paschke, UN Under Secretary General (USG), Office of Internal Oversight (OIOS)

Karl Paschke, United Nations (UN) Under Secretary General (USG), Office of Internal Oversight (OIOS) will make a special Association of Professional Accountants (APA) joint presentation at the World Bank on Thursday, February 26, 1998. The session is being jointly sponsored by APA and the Bank's Internal Auditing Department (IAD). It is being cosponsored by the Inter-American Development Bank (IDB), the International Consortium on Government Financial Management (ICGFM), the Bank's Anti-Corruption Forum, and the Washington DC Chapters of the Institute of Internal Auditors (IIA), the Association of Government Accountants (AGA), and the Certified Fraud Examiners (CFE).

The presentation is entitled "Internal Oversight at the UN: Three Years Experience." Mr. Paschke will discuss the impact that the new Office of Internal Oversight Services (OIOS) has had on the UN. The oversight function has become an important element of the management culture of this world body in just three short years.

The itinerary of the sessions is as follows:

- Location: Preston Auditorium, Main Complex, World Bank, 1818 H Street, NW
- Date: Thursday, February 26, 1998
- Time of Session: 4:00 pm to 5:00 pm (Remarks - 30 minutes, Q&A - 30 minutes)
- Time of Reception: 5:00 pm to 6:00 pm (refreshments will be served)

Registration of attendees is required and will be handled courtesy of Casals & Associates. The contact person is Ms. Taryn Costanzo, E-Mail: tcostanzo@casals.com, or Fax: (703) 920-5750. Coordination and liaison at the Bank will be handled by Ms. Minerva Naldo, telephone number: (202) 473-4173, E-Mail: mnaldo@worldbank.org, Fax: (202) 522-1652. Since Mr. Paschke's remarks will be relatively brief and will be followed by an extensive question and answer period, attendees are encouraged to read in advance the Report of the Office of Internal Oversight Services (for the period from July 1, 1996 to June 30, 1997). A limited number of copies will be made available through the coordinator.

**Association of Government Accountants Washington DC Chapter and
CFO Council GPRA Implementation Committee
Present**

Update on the Government Performance and Results Act (GPRA)

Thursday, February 12, 1998

J.W. Marriott Hotel
1331 Pennsylvania Avenue, NW
Washington, DC

- | | |
|----------|--|
| 8:00 am | Keynote Address
Steven App, DCFO, Treasury and Chair, CFO Council GPRA Implementation Committee |
| 8:30 am | What's Happening with the Implementation of the Results Act?
C. Morgan Kinghorn, Director, Coopers and Lybrand, LLP |
| 9:00 am | Expectations of Compliance with the Results Act
Leader: Steve App, DCFO, Treasury
OMB/GAO/Hill perspectives
Walter Groszyk, OMB, Invited
Chris Mihm, GAO
Carl DeMaio, Congressional Institute |
| 10:30 am | Break |
| 10:45 am | Using Managerial Cost Accounting to Aid in Compliance
Ron Longo, Department of the Treasury |
| 12:00 pm | Lunch |
| 1:00 pm | Overview on Performance Management
Steve App, DCFO, Treasury |
| 1:15 pm | Updates from CFO Council Subcommittees

Crosswalk—Alignment of Information
Led by Steve App, DCFO, Treasury

Integrating Performance Measures into the Budget Process
Led by Carl Erickson, Treasury

Human Resources
Led by Laura Petonito, VA |
| 4:30 pm | Program ends |

<i>Recommended 8 Hours CPE</i>

For more information, call Virginia Murphy at (703) 741-1738. See the next page of this newsletter for the registration form.

Association of Government Accountants Washington DC Chapter and
CFO Council GPRA Implementation Committee
Present

Update on the Government Performance and Results Act

Thursday, February 12, 1998

Registration Fee:

- AGA Members: \$135 if paying by Check or Credit Card
\$155 if paying by Training Authorization Form
- All Others: \$155 if paying by Check or Credit Card
\$175 if paying by Training Authorization Form or Purchase Order

Payment Method:

- Credit Card (MasterCard, VISA, Diners Club, Carte Blanche)
- Training Authorization Form (Please bring a copy of SF 182)
- Check (Payable to AGA - Washington DC Chapter)

Name: _____

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To Register By FAX: Attn. Virginia Murphy at (703) 741-1616

To Register By Phone: (703) 758-4080

To Register By E-Mail: virginia_murphy@notes.pw.com

To Register By Mail: AGA - Washington DC Chapter
P.O. Box 423
Washington, DC 20044-0423

Confirmation of registrations will not be provided. Register no later than February 9, 1998

Upcoming Financial Management Courses

February and March 1998 Courses at The Center for Applied Financial Management

February 1998

10-12	The Revenue Standard/Form & Content
12-13	Implications of Federal Appropriations Law
23	Basic Accounting Concepts
24-25	Managerial Cost Accounting
26-27	Federal Asset and Liability Standards

March 1998

3-4	Property, Plant, & Equipment/Stewardship Reporting
5-6	Budget Execution Game
5-6	Direct Loans and Loan Guarantees
10-11	SF 224: Statement of Transactions
10-11	Standard General Ledger: Basic
12	Reconciling the Statement of Differences
16-17	Dollars and Sense
18-19	Standard General Ledger: Advanced
18-19	Accrual World

Contact Kimberly Pringle at (202) 874-9560 for more information or fax requests to (202) 874-9629. To register for Center courses, submit an SF-182 to the Registrar, The Center for Applied Financial Management, 1990 K Street N.W., Washington, DC 20227. All courses are held at 1990 K Street location, unless otherwise noted.

February and March 1998 Courses at The National Capital Training Center, Graduate School, USDA

February 1998

2-5	Federal Appropriations Law
4-6	Federal Cost Accounting Concepts
6	Federal Appropriations Law Update
9-11	Budget Justification and Presentation
20	Prompt Payment Act
23-24	Performance Measurement: Financial and Program Evaluation
25-26	Performance Based Budgeting

March 1998

2-5	Budget Formulation
4-6	Federal Budget for Non-Budget Personnel
9-11	Budget Analysis Workshop
12-13	Federal Budget Process
16-18	Federal Accounting Standards
23-26	Introduction to Federal Budgeting
24-27	Budget Execution
30-4/1	Budgeting and Accounting for Revolving Funds

To register for these courses, fax or mail your training form to The National Capital Training Center, Graduate School, USDA, 600 Maryland Avenue, SW., Room 280, Washington, DC 20024-2520, Voice (202) 314-3407, Fax (202) 479-4970. Note: The Graduate School needs instructors to teach accounting courses to federal government employees. Candidates must be able to objectively demonstrate successful training experience in the federal environment and knowledge of the practical application of the subject matter in the work environment. Applicants should have 1 to 5 years professional experience in the subject area. Instructional experience is strongly desired. Must be willing to travel to various locations in the U.S. Send a brief resume to the above address.

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