

ASSOCIATION OF
GOVERNMENT
ACCOUNTANTS

AGA

NEWSLETTER

WASHINGTON CHAPTER

APRIL 1988

THURSDAY April 14, 1988

LUNCHEON MEETING TO FEATURE



FREDERICK D. WOLF

**Director, GAO's
Accounting & Financial
Management Division**

**Topic
Financial Management
Initiatives
How Do We Keep Them
Going and Where?**

at the

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

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

Reservations Required

Call 649-4399 NLT April 12

NON MEMBERS WELCOME

Meeting Schedule: May 5

PRESIDENT'S MESSAGE



Diane M. Bray

AGA MEMBERSHIP

Spring is here. It brings with it a time of renewal, a time for new commitments, and a time of vigor and energy. For the Chapter, it is a time to begin to close out the 1987-88 activities and to begin planning for the 1988-89 AGA year.

The plans that were made for 1987-88 mostly have been well executed. Attendance at the Chapter luncheons has been high. Speakers have been notable and very informative. The volunteer tax assistance program received many volunteers and was very successful. The Chapter received a high number of orders for the AGA tax guides. The list goes on and on.

There is one area in the Chapter planning that has done well, but further assistance is needed from you to meet the goal. That area is membership. Recruitment and retention have been on the upswing, however, a final push is needed. I ask for your personal involvement in ensuring that your membership is current and in attending the last two meetings of this AGA year. Also I would like to challenge you to sponsor at least one new member.

In inviting colleagues to join AGA, they need not be an accountant. AGA is a financial management association with members engaged in all the financial management disciplines, such as budget, internal control, cash management, credit management, auditing and accounting.

There are many benefits as an AGA member. Washington Chapter members enjoy:

- Top caliber speakers at reduced luncheon costs. This year, the Chapter has sponsored notable speakers including Congressman Jack Brooks, Congressman John Kasich, and Ray Kline just to name a few. The Chapter will continue to host top notch speakers by having Fred Wolf in April and Don Kirkendall in May. In addition to hearing the speakers, AGA members enjoy lunch at the Touchdown Club for a reduced cost of \$2.00 over non-members.
- Informative and relevant educational events

at reduced registration. The Washington Chapter has sponsored several well attended events this year including the recent tax seminar with Roger Charin as the speaker. In April, the Chapter will sponsor two events that promise to be sell outs. The first, on April 7, will address implementing off-the-shelf software. The second, a TGIF luncheon on April 22, will focus on FMFIA four years later (see page 7 for registration details on both events). Also, the Chapter as part of the Capital Region will be sponsoring the Professional Development Conference on June 20-22. AGA members are offered lower registration fees.

- Employment Referral Service. Looking for a new job? Washington Chapter members can take advantage of the employment referral service. The National Office of AGA issues employment flashes which contain news on job openings in the accounting and financial management fields. As openings arise in the field indicated by the member, announcements are sent to the member.
- Federal Tax Handbook. Every year, the Chapter offers members the opportunity to purchase an authoritative income tax handbook at a price substantially below list (about 50% off). The book features changes made in the tax laws right up to the date of publication. Having ordered and used the guide for several years, I can tell you that it is an invaluable tool at income tax time.
- Voting. One of the most important benefits as a Washington Chapter member is the ability to vote. Many of you exercised this benefit several weeks ago in making an important change to the Chapter bylaws. This issue of the Newsletter will provide another opportunity to vote. This time the vote will determine the directors and officers that will provide leadership for the Chapter during the next year. Enclosed is a ballot to elect five new directors to the Chapter's Executive Council. I encourage you to read the article on page 4 and to vote carefully for the candidates of your choice.
- Chapter Executive Council. Finally, I would like to cite the ability to serve on committees as key intangible benefits to Chapter members. The ability to plan, organize, and execute programs that are timely and interesting is a challenge that the current Chapter Executive Council has taken seriously. I would like to see every member take the opportunity to be active in Chapter activities at least once during their membership. The time to do this is now. On page 6 is a listing of the committees where assistance is needed.

I look forward to seeing you at the next meeting.

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

Officers

President

Diane Bray, DOD, 695-0839

Secretary

Deatrice Russell, Financial
Management Service, 535-9693

Treasurer

Rolf Wold, DOT, 366-9874

Past President

Gary Palmquist, 233-3411

Directors

*Cooperation with Professional
and Educational Institutions*

Mike Merson, Financial
Management Service, 436-6842

Education

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

Employment Referral

Joyce Shelton, DOT, 366-1306

Membership Services

Dan McGrath, Financial
Management Service, 566-3717

Newsletter

Lee Beaty, GAO, 275-9532

Programs

John Simonette, GAO, 275-9454

*Relations with National Office/
Special Projects*

Adam Shaw, DOD, 697-0585

Research, Professional Notes

Chuck McAndrew, Navy, 696-6896

Committee Chairs

Awards

Mary Lee Mason, Financial
Management Service, 535-9693

Chapter Evaluation

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

Chapter Recognition/Competition

Jean Bowles, State, 875-6923

Meetings

Judith Parsons, Comptroller
of Currency, 447-1721

Membership Services (A'sst)

Jim Goulden, Coast Guard,
267-0220

Newsletter

Herb McLure, FAA, 267-3456

Public Service

Paula Rubin, Financial Management
Service, 535-9696

ABOUT OUR SPEAKER THIS MONTH

FREDERICK D. WOLF

Frederick D. Wolf is the Director, Accounting and Financial Management Division of the U.S. General Accounting Office (GAO).

Mr. Wolf's responsibilities include:

- financial audits of U.S. Government-owned corporations and Federal agencies,
- establishing accounting and auditing policies for the Federal Government,
- audits of Federal agency financial management systems, and
- audit oversight of Federal Inspector General and internal audit functions.

Currently, Mr. Wolf is a representative of the following organizations:

- JFMIP—Chairman of the Joint Financial Management Improvement Program Steering Committee.
- NIAF—Chairman of the National Intergovernmental Audit Forum.
- GASAC—Governmental Accounting Standards Advisory Council.
- FASAC—Financial Accounting Standards Advisory Council.
- FAEC—Member of the Federal Audit Executive Council.
- GAAC—Committee member of the Government-wide Accounting Advisory Committee, Department of the Treasury.

Mr. Wolf is a graduate of the University of Michigan where he was a member of Beta Alpha Psi, the national accounting honorary society, a member of the junior and senior class university honorary societies and an All American swimmer.

Prior to joining the GAO in August 1983, Mr. Wolf spent 21 years with Arthur Andersen & Co., an international accounting firm. At Arthur Andersen & Co., Mr. Wolf worked for 8 years in their Chicago office in the Manufacturing and Merchandising Divisions. He then spent 8 months with the State of Illinois Department of Finance as a consultant and, upon returning to Arthur Andersen, worked in their office in the Netherlands for 2 years and in 1971, transferred to the Hamburg, Germany office where he functioned as a managing partner from 1975 to 1979. Mr. Wolf returned to the United States in 1979 to the firm's Houston office. Major areas of specialization while in Houston were audits of oil and gas drilling contractors and oil field service companies as well as reviews of bank energy portfolios.

Mr. Wolf is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants as well as the Illinois/Texas Societies of Certified Public Accountants. Mr. Wolf is also a member of the Association of Government Accountants (AGA).

Mr. Wolf was born and grew up in the Winnetka, Illinois, area and graduated from New Trier High School. Mr. Wolf is married and has four children. Mr. Wolf is fluent in German and Dutch languages.

Have We Lost One of Your Colleagues?

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

NOMINATING COMMITTEE REPORT

Notice of Election of Officers and Directors for the Year Beginning July 1, 1988

A postage paid ballot is enclosed for the election of five Directors for the Washington Chapter for the year beginning July 1, 1988. In accordance with Article VI of the Chapter Bylaws, the Nominating Committee nominated one candidate for the offices of President-Elect, Secretary, and Treasurer. Since there were no nominations by petition for these offices, the names of the single nominees are not included on the ballot and their election has been certified by the Bylaws Committee. This year, five Directors will be elected for a two-year term. There are ten nominees for the position of Chapter Director. No nominations by petition were received for these offices. All Chapter members (except honorary members) may vote for not more than five Directors. Any ballot postmarked after April 22 or received after April 25 is null and void. The results of the election for 1988-89 will be announced at the Chapter luncheon in May. Please take the time to vote!

FOR PRESIDENT-ELECT



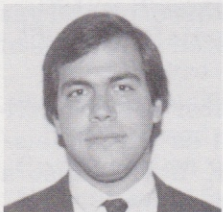
DORIS A. CHEW—Member since 1974. AGA Service: Member, National Membership Board 1987-88; Chair, Publicity PDC Host Committee 1987-88; Co-Chair, Chapter Education Committee 1986-87; Chair, Chapter Awards Committee 1985-86; Director, Montgomery/Prince Georges Program Committee 1985-86; Member, National Authors' Awards Committee 1984-85; Director, Chapter Education Committee 1983-84; Chair, National Publications Policy Board 1983-84; Member, PDC Programs Committee 1983-84. Doris, a CPA, is the Assistant Executive Director of the Joint Financial Management Improvement Program.

FOR SECRETARY



JUDITH BOYD—Member since 1976. AGA Service: Chair, Meetings 1984-87; Chair, National Public Service Committee 1987-88; Chapter Treasurer 1983-84; Member, Chapter Meetings Committee 1982-83; Director, Chapter Competition 1979-80; Member, Chapter Research Committee 1978-79; Member, Chapter Finance Committee 1977-78. Judith is a Systems Accountant in the Office of the Secretary of Defense.

FOR TREASURER



JOEL DORFMAN—Member since 1974. AGA Service: Member, Chapter Research Committee 1985-88. Joel, a CMA, is the Manager of the Information Technology Group for Arthur Young and Company.

FOR DIRECTORS



JOHN R. CHERBINI—Member since 1983. AGA Service: Co-Chair, AGA's President's Task Force on Comparison of Financial Practices in Federal State and Local Governments 1988; Member, PDC Planning Committee 1988; Member, PDC Planning Committee 1986. Received the Montgomery-Prince Georges Chapter Achievement of the Year Award in 1984. John is the Deputy Director of the Accounting and Financial Management Division in the General Accounting Office.



ROGER B. FELDMAN—Member since 1978. AGA Service: Member, AGA's President's Task Force on Federal Financial Management resulting in AGA Comptroller-ship proposal; Author, articles in AGA Journal; Speaker, PDC Conferences. Roger is the Comptroller, Department of State.

**PICTURE
NOT
AVAILABLE**

LARRY J. GOODE—Member since 1982. AGA Service: Instructor, Internal Management Control Reviews, PDC Conference 1985-87. Larry, a CPA, is a Principal for Arthur Young and Company.



DAVID J. HOLLAND—Member since 1983. Received the AGA National Education and Training Award and Chapter Education and Service Award in 1987. David, a CIA and CISA, is the Chief of the Division of Finance for the Department of Interior.



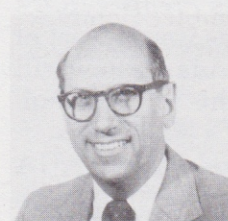
CAROL S. LYNCH—Member since 1975. AGA Service: Chapter Treasurer 1985-86; Member, Chapter Meetings Committee 1981-83; Member, National Committee on Relations with AICPA 1981-82. Carol is an Audit Manager in the Office of the Inspector General, Department of Education.



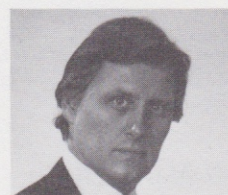
SAMUEL T. MOK—Member since 1987. Professional Service: Treasurer, American Foreign Service Association; Director, Fordham University Club; President, Organization of Chinese Americans; Member, Institute of Internal Auditors; Member, National Association of Accountants; Member, Washington Cash Management Association. Sam, a CIA, is the Comptroller, Department of Treasury.



JUDITH T. PARSON—Member since 1986. AGA Service: Member, National Chapter Recognition Committee; Chair, Chapter Meetings Committee 1987-88; Member, Chapter Meetings Committee 1986-87. Judith is a staff accountant with the Comptroller of the Currency.



JOSEPH ROTHSCHILD—Member since 1980. AGA Service: Co-chair, Chapter Education 1984-86; Chapter Treasurer 1984-85; Chair, Chapter Research Committee 1983-84; Member, Chapter Awards Committee 1980-82; Member, National Committee to select Authors Award; Member, AGA Task Force on Internal Controls in Government. Received the AGA National Research Award, 1985; and the AGA National Authors Award 1981 and 1986. Joe is the Director of the Policies and Plans, Office of Inspector General, Department of Housing and Urban Development.



MICHAEL G. WENK—Member since 1988. Professional Service: Instructor at the FBI Academy in courses on the Budget Process and the Internal Control Program. Mike is the Assistant Director of the Management and Planning Staff in the Department of Justice.



ANNA M. WILSON—Member since 1983. AGA Service: Member, Nominations Committee 1987-88; Advisor, AGA Newsletter 1986-87; Member, Education Committee 1985-87; Editor, Washington Chapter Newsletter 1985-86; Member, National Financial Management Standards Board 1986. Anna, a CPA, is a Systems Accountant for the Office of Personnel Management.

THE 1988-89 CHAPTER EXECUTIVE COUNCIL WANTS YOU!

In May, President Diane Bray will be appointing members to the Chapter Executive Council for 1988-89. In addition to the five Directors that will be elected in April, there are many committees where Chairs and members are needed.

Members wishing to be considered for board/committee positions during the year beginning July 1, 1988, are asked to contact the Chapter President. Plans for the next year are looking promising with many changes proposed for the Newsletter, education events, meetings, and Chapter and student awards.

The following is a listing of the committees where assistance is needed.

Education

- Workshops (Members)
- TGIF Luncheons (Members)

Newsletter

- Assistant Editor

Membership

- Assistant Membership Chairs

Meetings

- Registration (Members)

Chapter and Student Awards

- Chapter Awards (Members)
- Student Awards (Members)

Chapter Procedures and Bylaws

- Policy Board (Members)

Publicity and Agency Liaison

- Assistant Liaison Chairs

Public Service

- Policy Board (Chair and Members)

Chapter Evaluation

- Policy Board (Chair and Members)

Chapter Recognition

- Policy Board (Chair)

Relations with National Office

- Policy Board (Chair)

Cooperation with Professional and Educational Institutions

- Policy Board (Chair and Members)

Small Business Education

- Policy Board (Chair and Members)
- Instructors

Publications

- Chapter Executive Council (Co-Chair and Members)
- Chapter Activities (Co-Chair and Members)

Research

- Policy Board (Members)

Professional Notes

- Authors

BYLAWS CHANGE APPROVED

In the January and February Newsletter a proposal to change Article VI, Section 1.c of the Chapter's Bylaws was published and members were asked to cast ballots indicating their preference. The votes have been tallied and there were 171 (70.66%) "YES" votes in favor of the amendment and 71 (29.34%) "NO" votes not in favor of the amendment. Article VIII, Section 2.a of the Bylaws requires an affirmative vote by 2/3rds of those voting, in order for a change to be approved. Accordingly the first sentence of Article IV, Section 1.c is changed to read:

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

This change, retroactive to July 1, 1987, deletes the phrase "or serve as" following the phrase "nominated for". This will permit members who leave government service after being nominated for President or President-Elect to serve their elected terms.

TAX GUIDE CHANGES

Important notice to purchasers of *Prentice Hall's 1988 Tax Guide*: Prentice Hall has issued a set of important changes to the Guide. Adam Shaw will have copies of the changes at the April 14 luncheon meeting, or you may send a stamped, self-addressed, business size envelope to AGA Washington Chapter, Attn: Adam Shaw, P.O. Box 423, Washington, DC 20044, and Adam will send you a copy.

**AGA WASHINGTON CHAPTER
PRESENTS A WORKSHOP ON
IMPLEMENTING OFF-THE-SHELF
SOFTWARE**

OBJECTIVE: Speakers will present topics for consideration in installing off-the-shelf financial software packages. Topics will include: training, user groups, GSA & OMB assistance in RFP development, PCMI position on implementing A-127, and other topics. Speakers will represent both government & industry.

DATE: THURSDAY, APRIL 7, 1988

TIME: 9:30 AM - 3:30 PM

COST: \$60 CHAPTER MEMBERS; \$70 NON-MEMBERS

LOCATION: GEORGE WASHINGTON U. UNIVERSITY CLUB, MARVIN CENTER, 800 21st St. NW (near FOGGY BOTTOM Metro Stop) Hot buffet **LUNCH** will be served.

**REGISTRATION FORM—OFF-THE-SHELF
SOFTWARE SEMINAR**

NAME _____

ADDRESS _____

DAY PHONE _____

ENCLOSED IS (____) FEE (____) INVOICE
(Check payable to AGA)

Mail to Larry Achter, 4205 Morningwood Drive,
Olney, MD 20832 (call Larry on **382-5161** for up-
to-date info on the program, or to **register by
phone**)

* * * * *

DID YOU KNOW...

Continued from page 8

ject provides the accounting functions that would be required in a commercial manufacturing enterprise. One exception to the commercial environment is the incorporation of budgetary accounting transactions into the general ledger to comply with the U.S. Government Standard General Ledger. The Bureau is currently modifying their existing automated general ledger to comply with the OMB deadline for an operational system by the end of FY 88.

The source of data required by the financial applications is provided by the manufacturing

**AGA WASHINGTON CHAPTER
TGIF LUNCHEON
FMFIA—FOUR YEARS LATER**

DATE: FRIDAY, APRIL 22, 1988

TIME: 11:30 AM - 1:00 PM

LOCATION: COMPTROLLER OF THE
CURRENCY
490 L'ENFANT PLAZA, 3rd
FLOOR
CONFERENCE ROOM 3B

Pizza & soft drinks will be served for **\$5 per person**, or you may bring a brown bag lunch.

For reservations and up-to-date info on the program call Larry Achter on **382-5161** or Sue Fields on **496-3417**.

applications. The manufacturing applications support the production process and the product accountability function.

The cost accounting application promotes the assessment of value added and lost at each stage of the manufacturing process. The Bureau utilizes a standard cost accounting system, employing predetermined estimates of actual results. It reports the differences between these estimates and the actual results as variances. These variances are classified by type and are evaluated according to origin and cause. The cost accounting system measures cost performance, isolates and identifies cost problems, promotes the understanding of the structure of costs, and most significantly, highlights cost reduction opportunities.

The financial applications that the Bureau has implemented include general ledger, accounts payable, accounts receivable, cost accounting, financial reporting, disbursing, and fixed assets. The manufacturing applications include bill of materials, inventory control, purchasing, shop floor control and order entry.

For further information or questions please contact the BEPMIS Project Manager, Richard J. Laird, at 447-1343 or the Price Waterhouse partner, Norman F. Hollander, at 296-0800.

DID YOU KNOW...

By Charles McAndrew (696-6896)

This month we are featuring current federal projects of two major CPA firms, **Deloitte, Haskins & Sells** and **Price Waterhouse**.

Deloitte, Haskins and Sells, together with **Computer Data Systems, Inc.**, is providing the Marine Corps a few good men and women to help the Corps develop and install its new Standard Accounting, Budgeting and Reporting System (SABRS). The system has a full range of modules to support the Corps' complex financial activities — budget formulation, budget execution, travel, material and services, labor distribution, general ledger, cost allocation, reimbursements, property, and expenditures and collections.

The firm is currently helping the Corps place phase 1 of SABRS into operation, as well as working on phases 2 and 3 which will enable the system to support additional appropriations and funds. Before phase 1 becomes operational, it will be subjected to extensive systems testing, designed by the firm, to assure that the modules, with their myriad of automated interfaces, consistently generate the required general ledger entries and accurate budget execution balances.

In a humorous vein, the staff cites as relevant the message on a sign down at Quantico. The sign, borrowing from Alexander Pope, says "To err is human; to forgive divine; but neither is Marine Corps policy". For more information on the project, call senior manager Bill Rita on 467-2441.

Price Waterhouse is helping with development of the Bureau of Engraving and Printing Management Information System (BEPMIS). The Bureau is financed through an industrial revolving fund, which is reimbursed through sale of its

products (primarily currency to the Federal Reserve Board and postage stamps to the U.S. Postal Service). A variety of special security products are also produced and sold to various federal agencies.

In the early 1980's, the management of the Bureau of Engraving and Printing faced a situation not uncommon to agencies with production programs. Their primary programs, the production of currency and postage stamps, were expected to grow rapidly, while their capacity in terms of manpower was declining as a result of government-wide employment stabilization policies.

The challenge of increasing production with fewer employees was met by a major recapitalization program, resulting in the Bureau investing in additional automated printing and processing equipment. At the same time, Bureau management determined that the changes in technology would require major changes in the information systems used to determine product costs, measure managerial and operational performance, and prepare accurate and useful financial statements and reports.

The cost of custom programming was prohibitive, so the Bureau decided to purchase a commercial-type, fully integrated financial and manufacturing system, utilizing off-the-shelf software. After a comprehensive procurement process, the Cullinet integrated system was selected as the software with features most appropriate to the Bureau's requirements.

The Bureau established a full-time project team for its BEPMIS project. This team is augmented with a contractor team from Price Waterhouse. This project involves three major areas within the Bureau: financial management, manufacturing management, and product accountability.

The financial management portion of the pro-

Continued on page 7

NEWSLETTER

PUBLISHED BY THE WASHINGTON CHAPTER
ASSOCIATION OF GOVERNMENT ACCOUNTANTS

P.O. BOX 423
WASHINGTON, D.C. 20044
APRIL 1988

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



Washington, DC · June 20-22

FIRST CLASS MAIL —
PLEASE EXPEDITE