

Newsletter

VOLUME 2020, NUMBER 3

NOVEMBER 2019

President’s Message

By: Priscilla Suggs



Greetings Austin AGA,

As the crisp November winds spread shades of orange and yellow, find warmth and comfort during this season of change and dreary days!

We hope you enjoyed our November luncheon which included a presentation delivered by Linh Truong on Assessing Corporate Culture. In the words of Peter Drucker, “Culture eats strategy for breakfast”. The role that a company’s culture plays in its success or failure is becoming increasingly clear over the past 20 years and can be seen in headlines starting with Enron to Wells Fargo. Leaders, employees and auditors alike should be able to assess the moral compass of an organization’s culture. This session provided a roadmap to assessing and ranking a company’s culture.

Join us in December to hear a dynamic speaker – Randy Anderson – speaker on *“What I Really Meant to Say... Mastering the Art of Communication.”*

November Words for Thought:

People will forget what you said, people will forget what you did, but people will never forget how you made them feel.

- Maya Angelou

Welcome New AGA Members!

I’d like to welcome new members Mamie L. Steverson and Arnold K. K. Robinson, both governmental accountant members. Be on the lookout to welcome our new members during the October luncheon!

Board Participation

As always, we are looking for additional participation on the board and committees. Please reach out to any of our committee members if you would like to get involved or contact priscilla.suggs@hhsc.state.tx.us or Kieran.Coe@CohnReznick.com directly. Thank you in advance for your continued support of the chapter.

Happy Holidays!

Your President,

Priscilla Suggs

In this issue:

- President’s Message
- Highlights from the October luncheon
- Member Spotlight: Meet Lesli Cathey

The October Chapter Executive Committee Minutes will be included in the December newsletter

Upcoming trainings, meetings & events:

November 20, 2019	Webinar – Ethics 2 CPEs (www.agacgfm.com)
December 11, 2019	Webinar – Internal Control 2 CPEs (www.agacgfm.com)
December 12, 2019	CPE Luncheon - Mastering the Art of Communication 1 CPE
December 18, 2019	Webinar – Professional Development 2 CPEs (www.agacgfm.com)
January 8, 2020	Webinar – Uniform Guidance 2 CPEs (www.agacgfm.com)
January 9, 2020	CPE Luncheon - Increase Your Confidence, Enhance Your Career 1 CPE
February 5, 2020	Webinar – GASB Update 2 CPEs (www.agacgfm.com)
February 13, 2020	CPE Luncheon - Personal Finance—Money Moves Outside Your Pension Plan 1 CPE

Membership News

By: Aria Negahban

The Chapter reported 115 active members as of November, including 2 new members who joined over the last month:

- Mr. William B. Hockaday
- Ms. Susan Low

All of us here at the Austin Chapter extend a warm welcome, and look forward to meeting everyone at the next event. We would also like to acknowledge the following member who is celebrating an AGA membership milestone in November:

5 Years:

- Mrs. Nancy M. Clark, CGFM

10 Years:

- Ms. Patricia Roano

15 Years:

- Ms. Mari Queller



Benefits of Becoming an AGA Member

AGA is the only association supporting 15,000 professionals working in federal, state and local governments as well as the private, nonprofit and academic sectors. AGA membership gives you the tools and support you need to make your mark on the profession.

As an AGA member, you gain access to a host of benefits designed to support your career growth and success. Key benefits include:

- Education, leadership and networking opportunities through more than 100 AGA Chapters
- Four annual national training events with member rates that save you more than \$150 per event
- Complimentary members-only webinars
- Advocacy: AGA provides valuable input to standards-setting bodies and policy-makers on behalf of the government financial management profession
- Subscription to the quarterly *Journal of Government Financial Management*
- Discount on CGFM renewal fees

**Sign up to be a member at
www.agacgfm.org**

Government - \$100/year

Private Sector - \$160/year

Young Professional - \$45/ year

Student – FREE Electronic Membership!

Retired—\$35/year

Lifetime—Free

DID YOU KNOW?

You can become a member of up to four AGA chapters? To add a chapter, email agamembers@agacgfm.org. Note that additional chapter dues may apply.

November CPE Luncheon — “Assessing Corporate Culture”

The AGA Austin Chapter hosted its November 2019 luncheon on November 14, 2019 at Pappadeaux Seafood Kitchen located at 11617 Research Boulevard, Austin, TX. This month’s topic was Assessing Corporate Culture, presented by Linh Truong.

Linh Truong, Executive Advisor, Orthofix International

Linh is currently an Executive Advisor and former Chief Audit Executive at Orthofix International, a global medical device company focused on improving patients' lives by providing superior reconstructive and regenerative orthopedic and spine solutions to physicians worldwide. Linh Truong has more than 20 years of audit experience including being the former CAE of Kosmos Energy and Alon USA and she has worked at Hunt Oil, Xerox, Credit Suisse Group, and KPMG. Her audit career has provided her the opportunity to live and work in Germany and Switzerland for four years as well as travel throughout the United States, Canada, Europe, parts of Africa and Yemen. Linh has also founded an Energy CAE Shareforum in 2006 which now has about 30 companies. The members meet in the Spring and Fall to share internal audit best practices.



NOTABLE and quotable



While I love being able to attend events that provide CPE for my professional designations, AGA has provided a great opportunity for me to develop leadership skills within the chapter, and meet others that I might not have had a professional relationship with otherwise.

Will Kays, CPA, CMA
Accountant, Defense Finance & Accounting Service;
AGA Greater Columbus Chapter

November 2019

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Past Events

By: Elba Morales

Photo Credit: Sharita Jefferson



Luncheon participants with Lieutenant James Thomas (middle)



***Do you have pictures from an AGA event?
Submit them to publish in the next newsletter!
communications@agaustin.org***

During our October Luncheon we had the pleasure of having Lieutenant James Thomas, a Texas Ranger. Lieutenant Thomas shared with us his journey on “Chasing Greatness.” From the challenges he faced when he told his parents he was wanted to pursue a career in Public Service, and not a Doctor like they planned for him, to receiving a loan to be able to pay for his uniform required for his enrollment in the Department of Public Safety (DPS) Academy. Lieutenant Thomas expressed that these challenges were key in helping him reach his ultimate goal of becoming a Texas Ranger in 2015. He wore various hats before joining the Texas Rangers—from his time working as a Special Agent with the DPS Criminal Investigations Division in Houston, to simultaneously earning his Doctorate Degree in Education at Lamar University, working as a Special Deputy for the United States Marshal, Fugitive Task Force, all while raising his family with his wife. His story reminds us that chasing greatness is not achievable, that it is “something you always chase.” Lieutenant Thomas emphasized that chasing greatness will be in every aspect of one’s life, or nowhere. His journey to become a Texas Ranger is an inspiration and encourages us to chase greatness in our lives.

Special thanks to Lieutenant Thomas for all that he does and taking time out to speak to the AGA Austin Chapter!



Community Service

By: Bhakti Patel

Information obtained from <https://www.givepulse.com>



Women's Storybook Project for Texas Holiday Book Drive



Saturday, November 2nd, 2019 thru Saturday, December 21st, 2019



The Storybook Project of Texas help incarcerated mothers connect with their children through literature. Their annual Holiday Book Drive will take place at the Sunset Valley Barnes & Noble every weekend in November and December. Volunteers are asked

to stand at the front of the store, tell shoppers about the Project's mission, and then ask that they donate a book for the Holiday Book Drive at the counter when they check out.

Each day has three shifts that need two volunteers per shift. Time slots are two hours long:

11-1 pm 1-3 pm 3-5 pm

Marketing materials and badges will be supplied at the store along with printed directions and a wish list. Their goal this year is 1,000 books - last year they raised ~600 and the Book Drive only took place in November. With your help, I'm sure we can reach their goal!

Check out the Story Book Project on Instagram @Storybookprojecttx . If you have questions, contact Emilie Crimmins at crimmins.emilie@gmail.com

Location: 5601 Brodie Ln Suite 300, Austin, TX 78745

Sorting at the Food Bank



Monday, November 4th, 2019 to Saturday, November 14th, 2020



Come sort with us at Frankie's Food Bank! Registration closes any time before each shift ends or when space runs out

Location: 123 Smile Lane, Austin, TX 78702

Park Rangers, REI and Leave No Trace Clean up at Givens Park



Saturday, November 23rd, 2019 from 10:00am—2:00pm (CT)



Join the City of Austin Park Rangers, REI and the Leave No Trace Center as they team up at Givens District Park for a clean up day.

No special ability, skills or knowledge are required to participate in this event. Please wear closed toed shoes, and be ready to get dirty.

We'll meet at Givens Park Pavillion, which is past the recreation center on the right hand side of the road.

Location: 3811 E. 12th Street, Austin 78721



Are you involved in a charitable organization? Have you had an amazing volunteer experience? Tell us about it!! Email us at communications@agaustin.org

Marathon Kids at the 2019 Rockin' Resolution Race



Friday, December 27th, 2019 to Sunday, December 29th, 2019



Come out and help the Rockin' Resolution team with their packet pickup operation for the race! Volunteers will just be ensuring that those coming to receive their materials for race day are given the necessary documents and help. We will

need four volunteers on 12/27 at Ready to Run & four volunteers on 12/28 at Academy in Round Rock. Quinton Valdez at Marathon Kids will reach out with address information for both once you sign up.

Location: 3616 Far West Blvd #120 Austin, TX 78737

Sort Donated Books for Kids in Need



Monday, January 13th, 2020 from 6:00pm to 9:00pm (CT)



Join Texas Kids Read prepare books for distribution to students in Title 1 elementary schools. We will be sorting books by grade, Pre-K through 5th. Experience is not required. An experienced volunteer will be at your table to help you and answer any questions. A light dinner will be served before we start working.

Please let us know if you have any food allergies or restrictions. We will try to accommodate them.

Book Cleaning is a good event to have as a group event at your company or organization as a community service project. Texas Kids Read will bring books and supplies to your location. We will be on hand to teach your group how to clean and repair books. If you are interested in holding such an event please email us at txkidsread@gmail.com.

Location: 6405 Circle S Dr., Austin, TX 78745

2020 Austin PIT Count Volunteer Sign-Up



Saturday, January 25th, 2020 from 2:00am to 9:00am (CT)



The Point In Time Count (PIT Count) is an annual census of the homeless population in the Austin/Travis County area. In the early morning of January 25th hundreds of volunteers will head out to count every person experiencing unsheltered homelessness in Austin/Travis County. Volun-

teers will count people sleeping in cars, tents, parks, under bridges, and on the streets. The information from this count is used to guide public policy and secure resources to help end homelessness in our community.

Sign up to be a volunteer! The PIT Count can't happen without the support of volunteers, and we need a lot of them. All adults are eligible to sign up. Please review the volunteer role summaries below.

General Volunteers are assigned to a section and work under the direction of a Team Lead to locate and survey individuals sleeping outside on the night of the PIT Count. General Volunteers are responsible for staying in communication with their Team Lead and completing the assigned trainings prior to the count. Anyone over the age of 18 may sign up to be a General Volunteer.

Team Leads are responsible for managing a team of 15-20 people. Leading up to the count, Team Leads will scout their assigned area to become familiar with where people stay, and Leads are responsible for communicating with their team members to relay information and answer questions. On the night of the PIT Count, Team Leads will oversee their team members to ensure their entire assigned section is covered as well as completing surveys themselves. Previous experience as a PIT Count volunteer is required for anyone interested in being a Team Lead.

Location: Austin, TX 78751

Member Spotlight

By: Bhakti Patel

Meet Lesli Cathey



Lesli Cathey is a faithful advocate and cheerleader of AGA for nearly 30 years. She has served in many local and national leadership positions, including chapter president and regional vice president of the Texas-Oklahoma region. She has been a Certified Government Financial Manager for more than 20 years.

She has been the manager of the Texas School Performance Review program at the Legislative Budget Board (LBB) for 16 years. The school reviews are management and performance reviews designed to improve the efficiency and effectiveness of educational, financial and operational practices and programs. The November 2019 Houston ISD school review has been one of her largest projects to date.

Lesli has directed and participated in numerous projects designed to improve school districts, colleges, universities, and state government operations. Her nearly 30 years of auditing, analysis, management and organizational experience began at the State Auditor's Office (SAO). In 1991, she was selected to the prestigious Texas Performance Review team to conduct the first ever historic top-to-bottom review of all of Texas state government. The legislature continued the program, and she was recruited from SAO to the Texas Comptroller of Public Accounts and worked with Comptrollers John Sharp and Carole Keeton Strayhorn. In 2003, the legislature moved the performance review programs and Lesli went with the programs to the LBB.

When she is not working, Lesli enjoys spending time with her husband and three daughters. Lesli recruited her college student daughter, Kirby, to join AGA as one of the first student members of the Austin chapter. As she anticipates retirement, the family has been loving their time on Lake Marble Falls where Lesli grew up. They are getting the lake lot prepared to add a Tiny House.

Treasurer's Report

By: David Vasquez

As of OCTOBER 31, 2019

Beginning Bank Balance	10/1/2019	\$3,242.04
<i>Funds Received:</i>		
10/1-10/11 ACH - Square (Oct. Luncheon)		\$855.30
10/4/2019 LBB PMT 9/12/19 Luncheon		\$29.00
10/30/2019 ERS PMT 10/10/19 Luncheon		\$310.00
10/1/2019 Dividend through 10/1/2019		\$0.27
Total Funds Received		\$1,194.57
Funds Available		\$4,436.61
<i>Funds Expended:</i>		
Date	Check No./Credit Card.	
10/11/2019	Bank Card	October Luncheon
10/22/2019	2189	Texas State Board of Public Accountancy
Total Funds Expended		\$1,616.50
Ending Bank Balance	10/31/2019	\$2,820.11
Check Register Reconciliation:		
Ending Bank Balance	10/31/2019	\$2,820.11
<i>Outstanding Checks:</i>		
Date	Check No.	Description
Total Outstanding Checks		\$0.00
<i>Outstanding Deposits:</i>		
Date	Description	
Total Outstanding Deposits		\$0.00
Adjusted Ending Bank Balance	10/31/2019	\$2,820.11
Total Chapter Funds Available Per Check Register	10/31/2019	\$2,820.11
<i>Cash On Hand:</i>		
	CU Min Savings Balance	\$5.00
	Luncheon Bank	\$40.00

Industry News

Submitted by: Debi Weyer

Digital Goods Tax Legislation Rebooted on Capitol Hill

Any legislation introduced in the U.S. Congress generally has the potential to experience an endless cycle of reintroduction every two years, unless they are among the lucky few that become law during a congressional session. In the case of several bills relating to GFOA's priorities, constant reintroduction is preferred, in the hope that through vigorous advocacy they too will become law. However, the potential reintroduction of certain other bills is not always welcome, keeping state and local government advocates in a constant state of vigilance. The Digital Goods and Services Tax Fairness Act of 2019 is one such bill where the latter applies.

HISTORY OF THE LEGISLATION

H.R. 1725 and its Senate companion, S. 765, are the current versions of a tax bill that GFOA and others in the state and local community have long opposed as a solution in search of a problem. Prior versions of the bill date back as far as 2009. Proponents of the measure claim the legislation is necessary because there is no national framework to govern the taxation of digital transactions. The primary purpose of the framework would be to prevent multiple states and local governments from claiming that they have the authority to tax the same digital transaction, which purportedly would result in a myriad of taxes on the consumer.

One of the main hypothetical situations proponents of the bill use to demonstrate that it is needed is a consumer who decides to purchase and download a song while on vacation. In this situation, bill proponents claim that the state the consumer is visiting, the state where the server providing the song is located, and the consumer's home state could all decide to tax the purchase. There are two initial problems with this scenario, however. The first is that despite digital downloads being around for over a decade, bill proponents have not provided any data to show that this in fact is happening — not to mention that the nature of "downloading" music is changing, since there are many more streaming services today than there were ten years ago. Second, it appears that it would take a significant amount of effort and a high level of sophistication for a state (or a local government) to track and audit the scenario described above to ensure that the correct taxes were collected.

This legislation tracks similar previously introduced bills that have one common underlying theme: technology — or

more specifically, the explosive advances in technology that have dramatically altered consumer behavior. Most recently, we witnessed developments (and a significant victory for state and locals) in the area of remote sales taxation stemming from the 2018 U.S. Supreme Court decision, *South Dakota v. Wayfair, Inc.* The issue of taxing remote sales is one that state and local governments have wrestled with since 1964. After many decades, the issue finally became ripe for consideration because of the Internet's role in substantially increasing the reach of retailers to go far beyond state borders. Many states have either recently implemented or are still exploring how to implement remote seller laws as a result of the court's decision.

The key point for remote sales tax is that the issue, for the most part, was resolved through the court system rather than in Congress. For years, legislation that would grant state and local governments the ability to require remote sellers to collect sales tax languished in Congress despite having strong bipartisan support. Thus, states took it upon themselves to find a resolution that did not involve the federal legislative process. It is difficult to imagine a scenario today where the issue of taxing digital transactions could weave its way through the courts, much less a scenario where state and local governments would want to take a case dealing with the issue all the way to the U.S. Supreme Court — which makes it all the more concerning when legislation like the Digital Goods bill resurfaces, making state and locals play defense to prevent the bill from advancing.

PROBLEMS WITH THE LEGISLATION

There is probably little disagreement with the idea that consumers should not have to pay multiple taxes from various jurisdictions on the same digital transaction. If the bill were solely about sourcing the digital transaction (i.e., establishing the framework to define the point of sale in order to determine the appropriate taxing authority), that would not be especially problematic. We've already seen efforts like the Streamlined Sales and Use Tax Agreement where government and business have come together to work out the issue of sourcing rules. But given the lack of data to indicate that multiple jurisdictions are in fact trying to tax the same digital transaction, could might conclude that the Digital Goods bill isn't necessary.

Unfortunately, proponents continue to push the initiative, and the language of the bill seems to go beyond simply establishing a framework for the sourcing of a digital transaction. One of the concerns that GFOA has raised, going back to previous versions of the bill, is that the broad definition of digital service could result in the loss of revenues generated from on-demand and pay-per-view services from local cable franchise fees. This is an important revenue stream for many local communities that is allocated for a variety of purposes, including supporting public safety and education.

Furthermore, the bill calls for digital goods and services to be taxed at the same rate as other tangible goods under a state's general sales tax — which prevents state and local governments from setting their own tax policy. GFOA opposes legislation that fails to preserve the right of state and local governments to enact and administer their own tax laws without intervention from or preemption by federal authorities.

One of the other major problems relates to studies and estimates of previous versions of the bill and its fiscal impact on state and local governments. Most notably, in 2015, the Congressional Budget Office issued a cost estimate for the then-version of the Digital Goods bill and determined that it would impose an intergovernmental mandate, as defined in the Unfunded Mandates Reform Act.¹ In its cost report, the Congressional Budget Office estimated that the bill's prohibition on state and local governments from taxing some sales of digital goods and services would cost them approximately \$1 billion in forgone revenues in at least one of the first five years after the law's enactment and at least that amount in each subsequent year. That amount far exceeded the threshold established in the Unfunded Mandates Reform Act for intergovernmental mandates — a

threshold of \$77 million (adjusted annually for inflation) in 2015. Whether the Congressional Budget Office will be asked for a cost estimate of the current bill is unclear.

CONCLUSIONS

The likelihood that Digital Goods could advance out of committee and to the floor in each chamber currently remains uncertain. Nonetheless, since the bill is a preemption of state and local tax authority and it would cause substantial future losses of vital revenue, GFOA will work to ensure federal lawmakers are aware of these concerns. Stay tuned and keep an eye out for alerts or updates as developments occur. The voice of GFOA members is absolutely necessary and invaluable when opposing federal preemptions

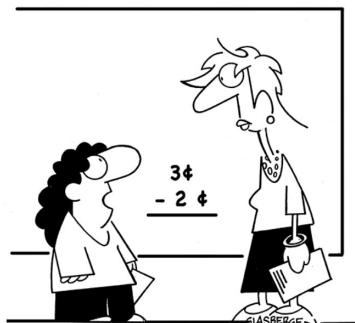
By: Michael Belarmino

like the Digital Goods bill.

Note 1. The Unfunded Mandates Reform Act was enacted in 1995, in part to ensure that Congress, during the legislative process, adequately considered the potential effects of mandates in proposed legislation. Thus, under the law, the Congressional Budget Office is required, at certain stages of the legislative process, to assess the cost of mandates that would apply to state, local, and tribal governments or to the private sector. Ultimately, the objective of Unfunded Mandates Reform Act was to reduce the number of mandates passed down to state and local government through federal laws.

MICHAEL BELARMINO is senior policy advisor for GFOA's Federal Liaison Center

Just for Fun...



"Do you want my answer in school math, government math or corporate math?"



AGA Members:
Read the latest copy of the Journal of Accountancy at : agacgfm.org

AGA Austin Chapter

2019-2020 Officers and Committee Chairs

Priscilla Suggs

President

e-mail: Priscilla.Suggs@hpsc.state.tx.us

Vacant

President - Elect

David Vasquez

Treasurer

e-mail: davvasquez@deloitte.com

Elba Morales

Secretary

e-mail: Elba.Morales@CohnReznick.com

Patti Roano

Education Committee Chair

e-mail: Patti.Roano@ers.gov

Aria Negahban

Membership Committee Chair

e-mail: Aria.Negahban@CohnReznick.com

Vacant

Community Service Committee Chair

Bhakti Patel

Communications Chair

e-mail: Bhakti.Patel@us.gt.com

Eddie Chan

Webmaster

e-mail: Eddie.Chan@ers.texas.gov

Debi Weyer

Research Committee Chair

e-mail: debiweyer@gmail.com

Latosha Gourd

Early Careers Committee Chair

e-mail: Latosha.Gourd@dps.texas.gov

Sharita Jefferson

Chapter Historian

e-mail: Sharita.Jefferson@dfps.state.tx.us

Kieran Coe

Past President

e-mail: Kieran.Coe@CohnRenick.com

Paul Morris

Regional Vice President


e-mail: pmorris1@austin.rr.com





Interested in joining the Chapter Executive Committee? Email us at:


[communications @agaustin.org](mailto:communications@agaustin.org)

Follow us

 <https://www.linkedin.com/company/association-of-government-accountants-austin-chapter/>

 communication@agaustin.org

 <https://www.agaustin.org>

 @AGACGFM