

ASSOCIATION of GOVERNMENT ACCOUNTANTS

THE WASHINGTON CONNECTION

Washington Chapter • P.O. Box 423 • Washington, D.C. 20044-0423 • (703) 758-4080 • April 1993

WASHINGTON CHAPTER LUNCHEON MEETING

THURSDAY
APRIL 8, 1993

SPEAKER



CLYDE G. MCSHAN, II
DEPUTY CHIEF FINANCIAL OFFICER/
DIRECTOR FOR FINANCIAL MANAGEMENT

Touchdown Club
2000 L Street, N.W.
(Near Farragut West Metro Stop)

Social: 11:30 (Cash Bar)
Luncheon: 12:00 NOON
Menu: Broiled Swordfish
Cost: \$16.00 (Members)
\$18.00 (Non-Members)

- Reservations strongly recommended.
- Call (703) 758-4080 Voice Mail through April 6, 1993
- Non-Members are welcomed.
- No-Shows are expected to pay.
- Walk-ins are welcomed on space available basis.

"RECENT THOUGHTS ON EFFICIENCIES IN GOVERNMENT FINANCIAL MANAGEMENT SYSTEMS"

As the Deputy Chief Financial Officer and Director for Financial Management of the Department of Commerce, Mr. Clyde G. McShan is responsible for financial management and accounting activities throughout the Department. Included in these responsibilities is the development of an integrated financial management system for all Department bureaus and offices.

Mr. McShan was Director of the U.S. Department of Agriculture's National Finance Center (NFC) in New Orleans, LA, from 1981 until 1993. A career employee of USDA, Mr. McShan began his Federal service in 1965 as an auditor with the Office of the Inspector General. He joined the staff of the NFC in 1972 and held several managerial positions before being appointed Director.

Under Mr. McShan's direction, the NFC became a recognized leader in providing financial management services to the Federal sector. His achievements have been recognized by the Department of Agriculture's highest award, the Distinguished Service Award, a Distinguished Executive Service Award from the Senior Executive Association, and a Presidential Meritorious Rank Award. He has been named one of the top 100 Federal information systems managers by Federal Computer Week. In 1993 he received the Elmer Staats Award from the Association of Government Accountants which is presented for outstanding executive leadership in the area of financial management.

A native of New Orleans, Mr. McShan is a graduate of Southeastern Louisiana University with a B.A. degree in accounting. He was recently nominated as AGA's National President-Elect. He has earned the professional designations of Certified Office Automation Professional.

**FROM WHERE I STAND
BY
MARCUS PAGE
PRESIDENT, WASHINGTON CHAPTER**

The first thing you should notice this month is our Luncheon Meeting is on **April 8th**, the second Thursday, not the first. It was moved so it would not be on the same day as the JFMIP Conference. Because of that move, National President Charles Harrison could not attend as our speaker. Therefore, our new speaker is Clyde McShan, the National President-Elect for next year and recently appointed Deputy CFO at the Department of Commerce. This is our next to last meeting for this program year. The last meeting will include our Chapter Awards, returning Past Presidents, and a speaker. If we haven't seen you at a meeting this year, how about putting one or both of these last two on your calendar. By the way, you can register for the next meeting as early as two days after the current meeting. Just call Voice Mail. If you find you must cancel later, you can call again and leave that message as well.

ANOTHER OPPORTUNITY FOR OUR MEMBERS!

The next Chapter Educational Event is on Wednesday, April 21st at the Hyatt Regency Hotel, Capitol Hill. For those of you who have been saying, "I'd like to attend a training, but I just can't afford a whole day, and certainly not two days. This one is for you! This half-day event runs from 8:30 am to 12:30 pm, and is located near the Union Station Metro Stop. So, you can get back to work quickly. This training is entitled "**FINANCIAL TRANSITION - A New Approach To Financial Management**", and will feature as speakers as many new leaders as we can arrange. You can register or get more information on this training by calling Voice Mail, line 2. Like our two earlier training events, this one is priced lower than the competition, only a minimal \$65.00. You can get a lot of your staff trained for that price.

While our Chapter's program year ends in May, remember that June brings the National AGA/Professional Development Conference (PDC). This year's conference is located in DISNEY WORLD, Orlando, Florida. So, what are you waiting for, get your training order in now so you're first on the list in your agency to go.

Hold on, there is still one more training event, but it's not for you. However, you may know someone who could really benefit from this course. Our Community Outreach Committee is co-sponsoring with the SBA a "Basic Training in Accounting and Small Business Management". This class runs from 6:00 pm to 8:30 pm on Wednesdays, from April 21st to June 23rd. It will be located at the ICF International auditorium in Fairfax, Va. If you know a small business owner or manager who might be interested, call Voice Mail, line 4, and leave their names and addresses. We will send a brochure to them. The cost of this ten evening training is a very low \$50.00. By the way, if you are planning to retire in the near future, and start a small business, this is a great way to get started.



**CENTER OFFERS HELP IN
RECONCILING DIFFERENCES**

By
Lorraine Rooks

"Oh no, not another Statement of Differences!" If this is a cry heard in your agency, it's time to sign up for Reconciling the Statement of Differences training at The Center for Applied Financial Management.

"**Reconciling Differences**" is a new course that explains why an agency receives a Statement of Differences (its reported balance doesn't match Treasury's control totals), and what to do to avoid receiving Statements in the future. This one-day course explains the Statement, and teaches how to correct errors and clear agency suspense accounts (budget clearing accounts).

As part of the Financial Management Service (FMS), Department of the Treasury, staff at the CENTER are connected to the reconciliation process. Years of receiving agencies' documents enable FMS to reveal the most common errors. Wherever an error originated, there is a solution -- and **Reconciling Differences** will teach you how to find your own solutions. At \$155, **Reconciling Differences** is a bargain.

To register, mail or fax a SF 182 or equivalent to Registrar, Financial Education, The Center for Applied Financial Management, Washington, DC 20227. FAX (202) 376-1371. For further information, call (202) 376-1310.

**WHAT'S COOKING AT THE
GOVERNMENT FINANCIAL
MANAGEMENT CONFERENCE**

By
Lorraine Rooks

The **Third Annual Government Financial Management Conference**, July 20-21, at the Sheraton National in Arlington, VA, offers a smorgasbord of financial management topics for the discriminating palate. The Conference, sponsored by The Center for Applied Financial Management, presents an extensive menu of sessions on the latest developments in Federal financial management.

To wet your appetite, consider such selections as System Design Model and Guaranteed Loan Management System (GLMS), the Cash Management Improvement Act (CMIA), or The New and Improved SF 220-9. Perhaps you would begin with an array of sessions on the State of the Standard General Ledger (SGL) -- What Agencies Need to Know; New Directions for Credit Reform Accounting; or The Direction of Budgetary Accounting.

Electronic Benefit Transfer (EBT), Automated Standard Application for Payments (ASAP), Electronic Collections, and Government On-Line Accounting Link System (GOALS) should satisfy those interested in technological advances. And may we suggest you finish up with Strategic Management or Government Debt Collection?

The **Third Annual Government Financial Management Conference** will be a 5-star event at the modest price of \$295. Look for a registration announcement in your mail, or FAX your name and address to (202) 376-1371 to request an invitation to partake of cutting edge sessions in Federal financial management.

**"NEW APPROACH TO FINANCIAL
MANAGEMENT BY A NEW
ADMINISTRATION"**

AGA is sponsoring a half-day session to address the following questions:

- What direction will the new administration take concerning financial management?
- Who are the new faces, and what do they have to say?
- What role will the CFO's play? and
- Are we moving in the same direction or have we changed course?

Date: April 21, 1993

Time: 8:30 am to 12:30 pm

Place: Hyatt Regency, Capitol Hill

Cost: \$65.00

Reservation:

(703) 758-4080
Voice Mail, Line 2

Mail registration to:

Nancy Fleetwood
AGA Education Committee
P.O. Box 6145
McLean, VA 22106

MEMBERSHIP

By

Evelyn A. Brown, Director

The membership year is progressing and membership growth is continuing to rise. The growth is made possible through the cooperative efforts of all of our members.

The renewal notices for membership dues have been mailed out during the last week of February. All members are encouraged to renew their memberships promptly. This will ensure that our membership rolls are current and up-to-date. Your prompt renewal also will eliminate the additional postage expenses required for follow up billings and the remittance of the local dues to the Washington Chapter for deposit. If you have not received your renewal invoice, please check with the Membership Coordinator, Thomas Graham at (703) 684-6931.

TRAINING COURSE

The AGA Washington DC Chapter and the Small Business Administration are jointly sponsoring a 10-week Basic Training In Accounting and Small Business Management.

The course is scheduled for April 21, 1993 through June 23, 1993 at the ICF International Auditorium, Fairfax, Virginia. For registration and further information, please contact Mr. Henry N. James at (202) 663-2003.

MEMBERSHIP

The Washington Chapter of the Association of Government Accountants welcomes the following new and transferred members to our organization:

James B. Doty	AID
Katherine M. Drew	Dept. of Justice
Leon H. Fleischer	Dept. of Commerce
Howard Friedman	Computer Data System
Thomas A. Green	Computer Data System
Maureen S. Harris	
Quynh H. Holzheimer	Dept. of Education
Henry N. James	ICF Info. Tech.
Joseph L. Ilk	NCTS Washington
Shelly L. Irwin	FDIC
Vervely A. Jordan	DOE
Paul M. Kirch	Coopers & Lybrand
Andrew Malay	Computer Data System
Kathryn A. Marsh	Dept. of Transp.
Ellyn D. Mulrenin	
Daniel J. Murrin	Ernst & Young
Lisa M. Neddoff	KPMG Peat Marwick
David O. Nellemann	GAO
Kimberly R. Norris	DOT/OST
Shirley D. Palme	GSA
P. Ernest Parker, Jr.	Gardiner, Keyya & Assoc.
Edward C. Prenskey	Arthur Andersen & Co.
Dennis J. Reilly	Walker Interactive Systems
Rob Selvage	Dept. of Education
Jeffrey A. Smith	Housing and Urban Development
Patricia A. Summers	General Accounting Office
Maureen D. Wheeler	Dept. of Treasury/FMS
Richard T. Wheeler	Andersen Consulting
Jacquelyn M. Whitworth	Dept. of Vet. Affairs

CHAPTER RECOGNITION PROGRAM

Our chapter has earned 10,652 points in the Chapter Recognition Program through the month of February 1993.

MEMBERSHIP

By

Evelyn A. Brown

Director, Membership Services

The Membership Services Committee enjoyed working with you during the past several months. The efforts to recruit and to retain members enhance not only the quantity but also the quality of the organization.

In support of one of the five major goals communicated from National President, Charles Harrison, to recruit 3,000 new members. We have announced a National Membership Incentive Program.

**PRESIDENTS MEMBERSHIP SWEEPSTAKES,
"3 IN 1993"**

Earn a chance to receive a trip to the National PDC in Orlando, Florida, by recruiting "3 in 1993". To be eligible, recruit three (3) new members from December 1, 1992 to April 30, 1993.

A member will be awarded airfare to Orlando. Hotel reservations at the Clarion Plaza for 5 nights. Registration fees for the PDC, and on Saturday, June 19, a director's tour of NASA. In addition, all members who qualify for the fish bowl drawing, by recruiting three new members, will receive a certificate of recognition from the National President and be recognized in TOPICS.

The member who recruited the most new members during the membership program year, May 1, 1992 through April 30, 1993, will receive a \$500 U.S. Savings Bond.

As you can see, we have a tremendous challenge and extra incentive before us to strengthen our association. Let us all join in and answer the call. You may find yourself on a plane in June headed to Orlando, Florida.

Remember, membership is the lifeblood of the organizations. Your continued support and cooperation in recruitment and membership retention is always greatly appreciated. If you require additional information concerning membership or details about the sweepstakes, please contact me at (202) 366-0269, Judith Parsons at (202) 874-4781, or Yash Parekh at (202) 366-5760.

SUMMARY OF LUNCHEON SPEECH

By Patricia Wensel

Our speaker for the March 4, 1993 luncheon meeting was Mr. Mark Chastang, Executive Director, D.C. General Hospital. Mr. Chastang spoke on the impact of health care reform on public hospitals. D.C. General Hospital is the only public hospital in the city of Washington, D.C., a city in the "midst of a serious health care crisis" (AIDS, gun shot wounds, stabbings, and drug abuse). Mr. Chastang highlighted some very interesting and disturbing statistics about D.C. health care and nationwide health care:

- 25% of D.C. residents are uninsured;
- approximately 12,000 are incarcerated in public correctional institutions;
- 1 in 5 new mothers abuse drugs;
- D.C. has a large homeless population;
- D.C. General Hospital has the busiest trauma unit in the city (In 1991, there were 106,000 outpatient visits, 15,000 admissions, and 83,000 emergency room visits); and
- D.C. General Hospital provides quality health care regardless of ability to pay.

According to Mr. Chastang, health care costs are out of control in this country. \$1 in every \$7 of the GNP goes for health care costs. There are 38 million uninsured people in this country, of which 30 million are employed - 54% full-time and full-year.

Mr. Chastang asked the question: "Is quality health care a right of all Americans?" He quoted results of survey that concluded that most Americans want quality health care for all, but only 35% are willing to pay for it.

Mr. Chastang discussed some of the reasons for the rise in health care costs. He concluded that

health care costs are driven by the supply of physicians. The rise in the number of physicians in the United States and the increasing number of subspecialists are the contributing factors. Life style drives infant mortality rates higher. Also, many of the uninsured are predisposed to high health care costs by their life style. Many do not eat right, or live in an unhealthy environment. Providing quality health care for these individuals will cause costs to escalate straight up.

According to Mr. Chastang, the United States has some of the highest spendings for health care costs, yet there is a high dissatisfaction factor. We have the best quality and most readily available health care in the world. We have the most advanced technology. He pointed out that there are different values in other countries as to the priorities for health care. There are long waiting periods for elective surgery and sophisticated tests, i.e., CAT scans and MRIs.

What will be the impact of health care reform on hospitals? Mr. Chastang expects:

- Blurring of lines between public and private hospitals;
- Public hospitals will have to compete on cost and quality basis, and many will go out of business;
- Impact on medical education as public hospitals distance themselves from the costs associated with medical education. This will strangle medical schools. There will be short term gain, but long term pain. Reduced training environments will impact on the broader community;
- Inverse relationship between care and profits. Many over-utilize the system; and
- Health care industry will be in turmoil.

AFTER TAX SEASON SOCIAL

Come join your fellow members in an after work social to celebrate your survival of another tax season !! As always, prospective members and your guests are welcome.

DATE: Tuesday, April 20, 1993

TIME: 5:30 PM - 8:00 PM

PLACE: SFUZZI's Restaurant

Union Station - (located near front lobby)

Convenient to Union Station Metro Stop (Red Line)

Complementary Dinner Buffet and Cash Bar

*** For further information contact Brian Lee at (202) 622-0808 or Karl Boettcher at (202) 874-8792.*



**AGA WASHINGTON CHAPTER
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FOR 1992/1993**

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