

## Advancing Accountability Through CEAR, SEA

In last month's issue of *TOPICS*, Immediate Past National President William J. Anderson Jr., CGFM, began the dialog about changing the name of the organization to the "Association for Government Accountability," with the acronym and associated tagline, "AGA-Advancing Government Accountability." I agree with this idea because it so aptly captures our mission and spotlights the core principle of accountability, which serves as the cornerstone for everything we do.

Since this topic is particularly timely, this month I will highlight two AGA programs that boldly embody this critical principle of accountability: the Certificate of Excellence in Accountability Reporting (CEAR) Program and the Certificate of Excellence in Service Efforts and Accomplishments (COE in SEA Reporting) Program. Both programs are built on the premise that government is accountable to citizens for producing results, and both programs will help shape the future of our Association. Here is why this matters for AGA as an organization and for you as a member.

Performance management is important because as a citizen and taxpayer, you expect your government to serve you well. You count on safe neighborhood parks, a quick turnaround for your income tax refund checks, access to community libraries, reductions in highway fatalities, availability of after-school recreation centers, and reliable services such as snow and trash removal. In addition to these traditional government offerings, citizens are also looking for online motor vehicle licensing renewals, affordable immunization programs, first-rate health services, well-maintained transportation systems, accessibility to home mortgages, school loans and retirement plans.

Performance reports, which combine both financial data and quantified program results, are designed to help ordinary citizens evaluate government programs and their costs. Decision-makers use the information to determine cost effectiveness and ultimately make programmatic and fiscal choices. These reports measure government performance—its strengths and weaknesses—while capturing trends, benchmarks and cost-effectiveness markers.

It was only logical that AGA would take a leadership role in developing performance-reporting programs as an extension of our strategy to take a multi-faceted approach to advancing government

accountability at all levels. Along with AGA's educational offerings and Certified Government Financial Manager (CGFM) Program, the CEAR and COE in SEA Reporting Programs reflect our solid dedication to the principle that financial management is the foundation of all accountability efforts.

Through the CEAR and COE in SEA Reporting Programs, AGA significantly contributes to the performance measurement effort by setting high standards, analogous to the financial standards that guide government accounting and reporting. Both programs use a peer review system to evaluate an entity's performance report, to provide recommendations for improvement and to formally recognize reports that stand above the rest. Our programs are helping governments to produce integrated, useful reports that communicate reliable data.

The CEAR Program has just completed its fifth evaluation cycle, and it is quickly becoming one of AGA's marquee programs. In this relatively short amount of time, the program has earned an impressive reputation as a rigorous review that helps agencies implement legislative and executive branch reporting requirements while producing a readable, user-friendly document at the same time. The U.S. Department of State's deputy chief financial officer cited the CEAR Program as crucial to helping it produce a highly effective document under tight deadlines.

Just two weeks ago, I returned from our annual CEAR Program Awards Ceremony at the Library of Congress in Washington, D.C. where John Hummel, CGFM, chair of the CEAR Board, and I presented Certificates of Excellence to seven agencies to recognize their fiscal year 2002 Performance and Accountability Reports. This event wrapped up the first CEAR evaluation cycle marked by the mandatory integration of performance information and financial data into a combined report. These combined Performance and Accountability Reports can do much to help average citizens understand how their tax dollars are spent. In fact, the nonpartisan Council for Excellence in Government goes so far as to say that Performance and Accountability Reports can serve to build the public's trust and participation in their government.

From now on, federal agencies will be producing these integrated reports at an accelerated rate, as the deadline for submission grows closer to the close of their



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fiscal year end. More federal agencies are receiving clean opinions and are submitting timely reports—the Social Security Administration and the U.S. Department of the Treasury both submitted fiscal year 2002 statements within 45 days after the year-end close. All of these efforts are a part of the plan to put decision-making and performance assessment tools in the hands of leaders, practitioners, citizens and other stakeholders.

The COE in SEA Reporting Program aims to help state and local governments produce high-quality performance reports and begins its pilot evaluation cycle this month with a group of 60 top-notch professionals serving as reviewers. One reviewer who will participate in discussions to shape the future of this important program is Tim Wendland, who wrote an article about state and local government performance reporting for the Fall issue of the *Journal of Government Financial Management*.

Our own SEA Reporting Program is supplemented by a recent announcement from the National Center for Civic Innovation about the availability of \$30,000 grants funded by the Alfred P. Sloan Foundation to encourage state and local governments to apply the Governmental Accounting Standards Board's (GASB) suggested criteria for reporting performance information.

Development of AGA's performance reporting programs capitalizes on a number of the successes in financial management over the past two decades. These include passage of the Chief Financial Officers (CFO) Act, the Government Performance and Results Act (GPRA), the Single Audit Act and the Federal Financial Management Improvement Act (FFMIA), along with efforts of the GASB and the Federal Accounting Standards Advisory Board (FASAB) to promulgate generally accepted

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## Call for Federal, State & Local, Private Sector Awards Nominations

**W**ho do you know in federal government, state & local government or the private sector who deserves special recognition?

### **Visionary Leaders, Innovative Managers, Outstanding Contributions**

Please help us acknowledge those financial professionals who are leading the way. (You might even consider nominating yourself.)

These awards will be presented at AGA's Second Annual National Leadership Conference, set for February 19-20, 2004 in Washington, D.C. Submit your nominations today!

AGA's National Awards Committee is now accepting nominations for the following awards:

### **Federal Government Leadership Awards**

**Distinguished Federal Leadership Award**—Recognizes individuals in either the legislative or executive branch who have made outstanding contributions to enhancing government financial management.

**Elmer Staats Award**—Recognizes the cumulative achievements of federal professionals who throughout their career have served as a role model for others and who have consistently exhibited the highest personal and professional standards.

**Andy Barr Award**—Recognizes the cumulative achievements of private sector individuals who throughout their career have served as a role model for others and who have consistently exhibited the highest personal and professional standards.

### **State & Local Government Leadership Awards**

**Excellence in Government Leadership Award**—Recognizes the cumulative achievements of a state or local government professional who throughout his/her public career has served as a role model for others and has consistently exhibited the highest personal and professional standards.

**William R. Snodgrass Distinguished Leadership Award**—Recognizes the outstanding leadership of individuals in state government that led to improved financial management practices, policies, systems or operations and consistently exhibited the highest personal and professional standards.

**Distinguished Local Government Leadership Award**—Recognizes the outstanding leadership of individuals in local government that led to improved financial management practices, policies, systems or operations and consistently exhibited the highest personal and professional standards.

**Private Sector Financial Excellence Award**—Recognizes the cumulative achievements of private sector professionals who throughout their careers have served as a role model for others and have consistently exhibited personal and professional standards.

For more information, please visit our website at [www.agacgfm.org/membership/awards/default.aspx](http://www.agacgfm.org/membership/awards/default.aspx). **New this year: photos of nominees must accompany nomination package.**

**All Nominations are Due by October 31, 2003. ■**

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accounting principles for the local, state and federal governments.

Congress enacted GPRA a decade ago to focus attention on performance and to establish a framework to help federal agencies turn attention to aligning missions, strategic plans, objectives and programs and then to report on progress. State and local governments have been developing and implementing an extensive range of performance management-related initiatives. The concept is commonly embedded in the statutory and legislative frameworks of many states. Here in my own state of Louisiana, we have a well-established, statewide performance measurement system called LaPAS—Louisiana Performance Accountability System—that allows state agencies to measure, benchmark, track and use performance data.

Although AGA is not yet claiming victory, we are claiming progress in the effort to improve government performance, address serious deficiencies in governments' fiscal and program management, and build the framework necessary for the next steps. This progress has helped facilitate the development and expansion of the CEAR and SEA Programs. We are committed to developing the educational programs and infrastructure necessary to continue spearheading advancements in government finance.

Given our 50-year history, AGA's participation and contributions in the government performance arena are relatively new, but these two programs will play a vital role in our future. Both CEAR and SEA serve to expand your Association's reach, raising its visibility and building its name. These pro-

grams place AGA and the CGFM designation in front of high-level leaders, practitioners and senior executives in the government accountability and financial management communities. These professionals could eventually play a key role in approving organizational memberships, training and travel decisions. We are gaining credibility as our partnerships and public awareness grows.

The idea of results-oriented public service has arrived. The future is now. And, true to form, AGA stands at the forefront, leading the way, "Taking Accountability to the Next Level." ■

