



President's Message

AGA President's Message - November 2016

Many of you are no doubt preparing for the upcoming Thanksgiving holiday, and this November our AGA chapter is sponsoring a unique opportunity for our members to help make the holidays a bit better for those in need in our community. We are partnering with AGA National to sponsor a food drive benefitting food banks in our local area. Here is the twist. . .instead of a traditional centralized food collection drive that requires you tote your heavy cans and boxes of nonperishable food into downtown Seattle, we are asking individual members to consider making a donation to their favorite local food bank on behalf of AGA, and providing a receipt of your donation to our chapter. Our chapter will consolidate your individual donations and compete against other AGA chapters



around the country for a chance to win not only bragging rights, but also inclusion of our chapter's photo on AGA's website and in AGA's Topics electronic newsletter. See the attached flyer in this issue of the Sounder for details, and thank you in advance for your generosity. Our Seattle AGA chapter has had a long tradition of giving back to the local community and I am proud and thankful to lead such a thoughtful group of professionals this year.

Mary Ann Hardy,
Chapter President

Welcome New Member

We are pleased to welcome to the Seattle Chapter:

*Ms. Karen L. Code
HHS Lead Grants
Management Specialist,
Administration for
Children and Families*

Upcoming Events

November 16
*"Communicating
the Value of
Government to
Citizens"*

- Michael Jacobson
& Natasha Jones,
King County. (See
Page 4 for details.)

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AGA Seattle Chapter's Monthly Meeting Schedule for Program Year 2016-2017

Save the dates for our monthly education events for program year 2016-2017! Please join us at these luncheon and brown bag events and help us make this program year a success.

Wednesday, November 16, 2016 - Michael Jacobson, and Natasha Jones, King County. 11:30-12:00 Lunch and networking; 12:00-12:50 presentation. See page 4 for details.

Tuesday, December 13, 2016 - Dean Ritz, Director of IP strategy for Workiva, Inc. on DATA Act. 11:30-12:00 Lunch and networking; 12:00-12:50 presentation

Tuesday, January 10, 2017 - Tina Polf, CPA - Annual Tax Update. 11:30-12:00 Lunch and networking; 12:00-12:50 presentation

Tuesday, February 14, 2017 - Jeff Brown, Contract Specialist with King County. 11:30-12:00 Lunch and networking; 12:00-12:50 presentation

Wednesday, March 8, 2017 - AGA webinar on Uniform Guidance. 11:00-12:50 Pacific time (2 CPEs)

Monday/Tuesday, April 24-25, 2017 (Tentative) - Government Accounting and Auditing Conference

Tuesday, May 9, 2017 (Tentative) - Emerald Award Luncheon. 11:30-12:00 Lunch and networking; 12:00-12:50 presentation

October 2016 Luncheon Topic

The U.S. Department of Justice's Response to State Marijuana Legalization

AGA Seattle was pleased to host Jay Berman and Steve Komadina, from the U.S. Government Accountability Office (GAO), as speakers for our October 18 luncheon. Jay was the analyst in charge of a GAO team that reviewed state marijuana legalization and the Department of Justice's (DOJ) approach to monitoring its effects, and Steve was a member of his team. The speakers first described the objectives of their review, which were to identify (1) the features of Colorado and Washington's systems to regulate the production, processing, and sale of recreational marijuana; (2) the extent to which DOJ is monitoring the effects of state marijuana legalization relative to DOJ's 2013 marijuana enforcement policy guidance; and (3) the factors that DOJ field officials have reported affecting their marijuana enforcement actions in selected states that have legalized marijuana for medical purposes.

Jay and Steve described the methodology the team followed for its review, including interviewing federal and state officials and reviewing DOJ documentation. They gave an overview of federal and state marijuana laws and described some state legalization initiatives, in particular the November 2012 votes in which Colorado and Washington became the first states to pass ballot initiatives legalizing marijuana for recreational purposes under state law. Next, they explained DOJ's responsibilities for enforcing marijuana laws established under the Controlled Substances Act of 1970.

Steve described DOJ's eight marijuana enforcement priorities, such as preventing the distribution of marijuana to minors or the diversion of marijuana from states where it is legal under state law in some form to other states. Next, he described features of Colorado and Washington's regulatory systems for recreational marijuana, comparing the features of the two systems such as eligibility requirements for recreational marijuana licensees, facility location restrictions, and labeling and packaging standards for recreational marijuana products. For example, treats made with marijuana cannot resemble items that might appeal to children.

Next, Jay discussed how DOJ reports actions to monitor the effects of state legalization of marijuana. The GAO team found that U.S. attorneys conduct individual enforcement actions and consult with state and local agencies to address concerns regarding the effects of marijuana legalization efforts and that officials from the Office of the Deputy Attorney General (ODAG) collaborate with and assess information from DOJ components and other federal agencies. However, they also found that DOJ has not documented a plan for monitoring the effects of state legalization, nor did DOJ officials see a benefit in doing so. As a result, Jay and Steve's team recommended that DOJ direct the ODAG to document a plan for monitoring the effects of marijuana legalization under state law and then share the plan with officials from DOJ component agencies and incorporate feedback from these officials into the plan. As part of internal control, GAO has found that clear documentation provides greater assurances that control activities—in this case, the ways DOJ is monitoring the effects of legalization relative to federal priorities—occur as intended. DOJ concurred with these two recommendations.

Finally, Jay and Steve briefly described the various factors that DOJ field officials reported as having affected their marijuana enforcement actions in selected states (Alaska, California, Colorado, Maine, Oregon, and Washington) that have legalized marijuana for medical purposes. These factors included key public health and safety threats, local concerns regarding the commercial medical marijuana industry, and DOJ's marijuana enforcement policy. In August 2013, DOJ updated its policy guidance by identifying circumstances that may warrant DOJ to challenge a state's implementation of its marijuana legalization program. Although officials the team interviewed consider marijuana enforcement to be important, that enforcement took a back seat to other competing priorities, including investigating drug trafficking organizations and violent crime.

Following the discussion, Jay and Steve took questions from meeting participants about their review and the implications for Washington State.



Jay Berman (L) and Steve Komadina at the November meeting.



THE ASSOCIATION OF GOVERNMENT ACCOUNTANTS

November 16, 2016 **Monthly Luncheon Meeting**

Speaker

Michael Jacobson, Deputy Director - Performance & Strategy, King County Office of Performance, Strategy & Budget, and Natasha Jones - Director of Customer Service, King County Executive Office

Topic/Time

"Communicating the Value of Government to Citizens"

12:00 p.m. - 12:50 p.m.

Please join us at 11:30 a.m. for lunch and networking prior to the presentation.

Place

Government Accountability Office
Columbia Center - 37th Floor - Elliott Bay Room
701 5th Avenue, Seattle, WA 98104

Cost

AGA MEMBERS - Free NON-MEMBERS - \$5

Menu Choices

Bring your own lunch, or purchase a meal from Ingallina's Box Lunch for \$15.00. Choose from the following meal options:

- Roast Beef and Cheddar Sandwich
- Smoked Turkey Salad
- Pear and Bleu Cheese Salad (vegetarian)

RSVP Required

Please **RSVP** to attend by **Monday, November 14, 2016** to Mary Ann Hardy, hardym@gao.gov.

CPE

1 CPE awarded

2016-2017 Webinars

AGA has scheduled the following webinars for the 2016-2017 Program Year.

See [<https://www.agacgfm.org/Training-and-Events/Learn-Online/Webinars/2016-2017-Offerings.aspx>] for more information about participating in these events.

Fraud Toolkit Case Studies	Nov. 16, 2016
Ethics	Dec. 7, 2016
Getting Your Dollars to Work Harder: Blended and Braided Funding	Jan. 18, 2017
GASB	Feb. 8, 2017
Fraud/Risk	Feb. 22, 2017
Uniform Guidance <u>1/</u>	Mar. 8, 2017
CFO/CIO Collaboration	Mar. 29, 2017
Ethics	Apr. 12, 2017
DATA Act	May 7, 2017
Fraud/Data Analytics	Jun. 14, 2017

2017 Member-Only Webinar Free Learning Event
[The Fraud Tools: Case Studies](#) Feb. 23, 2017 2-3 p.m. | 1 CPE |

FOS: AUD

1/ To be presented at our March Meeting

PROFESSIONAL ETHICS AND REGULATIONS IN WASHINGTON STATE

SPONSORED BY



PRESENTER
Scott Woelfle,
CPA,
State Auditor's Office

WHEN

November 16, 2016
8am - 12pm

WHERE

Pellegrino's Event
Center

5757 Littlerock Rd
SW, Tumwater

[http://
pellegrinoseventcente
r.com/directions/](http://pellegrinoseventcenter.com/directions/)

Register

[http://aga-
olympia.org/
CPEEvent.aspx](http://aga-olympia.org/CPEEvent.aspx)

CPE 4 HOURS

COST

\$100 AGA/IIA
Members · \$150 Non-
members

Training qualifies for
Washington State
Ethics

Proceeds go to support
local scholarships and
audio conferences

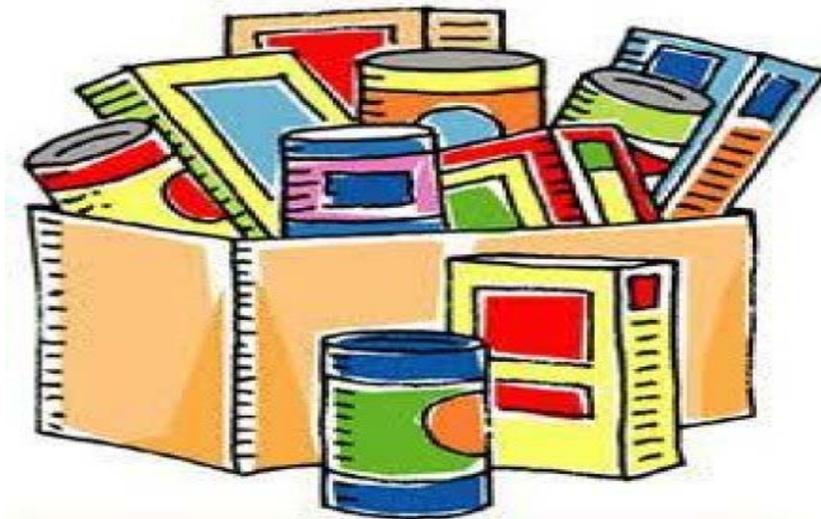
AGA National Food Drive Challenge

The Association of Government Accountants challenges Seattle AGA members to collect food items for needy families through your local food bank.

How it works:

- Collect food/household items from October 1st to November 18th, 2016.
- Donate the collected items to a food bank in your area on behalf of AGA.
- Email a receipt from the food bank-receiving center showing pounds donated to hardym@gao.gov.

The Seattle AGA chapter will consolidate documented donation totals and submit them to AGA National. A photo of the winning chapter will be posted on AGA's website and in AGA's *Topics* electronic newsletter.



Learn to Prepare Taxes by Becoming a Tax Volunteer

The IRS is looking for people to provide free tax help in 2017. Become a [tax volunteer](#) and make a difference in your community.

The IRS sponsors the Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) programs. These two programs offer free tax help across the country for people with low-to-moderate incomes. This year, [VITA and TCE](#) volunteers prepared more than 3.7 million federal tax returns at no cost to families across the country.

Here are five good reasons why you should consider becoming a VITA or TCE volunteer.

1. **Flexible hours.** Volunteers generally serve an average of three to five hours per week. The programs are usually open from mid-January through the tax filing deadline in April. A few sites are open all year.
2. **VITA and TCE sites are often nearby and need your help.** Nearly 12,000 sites were set up in neighborhoods all over the country for this past filing season. They are often set up in community centers, libraries, schools, shopping malls and similar places. Chances are good that you can volunteer at a site near you.
3. **No prior experience needed.** You'll receive specialized training and can serve in a variety of roles. If you are fluent in another language, you may be able to help those who speak that language.
4. **Free tax law training and materials.** Learn how to prepare basic tax returns and learn about all the tax deductions and credits that benefit eligible taxpayers.

Continuing education credits for tax pros. Enrolled Agents and non-credentialed tax return preparers can earn credits when volunteering as a VITA/TCE instructor, quality reviewer or tax return preparer. See the [IRS fact sheet](#) for more information on Continuing Education Credits.

As a volunteer, you'll join a program that's helped millions of people file tax returns at no charge for more than 40 years. Your help will make a difference. It's people helping people. It's that simple.

To find out more, visit IRS.gov and type "tax volunteer" in the search box. If you'd like to become a volunteer, you will need to submit your volunteer interest information on IRS.gov at [IRS Tax Volunteers](#).

AGA Board Members Sandra Starnes and Tim Dobler participated as tax volunteers during last year's tax season. This is a great opportunity to give something back to the community and demonstrate our chapter's commitment to volunteerism. Please feel free to give Sandra or Tim a call if you would like further details. Contact information is on Page 10.

Book Review by Tim Dobler

THE PETER PRINCIPLE

By Laurence J. Peter and Raymond Hull

153 pages, Publisher: Harper Collins (2009 edition with Robert I. Sutton foreword)
Hardback: \$19.99, Amazon (paperback) \$8.49, Kindle: \$11.49, Seattle Public Library: Free

I read the original edition of The Peter Principle in the early 1970's. While the current version doesn't seem to have changed much, except for the new foreword (which was fun to read), I did enjoy going over again the many examples of humorous situations included by the authors.

The theory of the book is that, within a hierarchy, an individual doing a competent job will be serially promoted until arriving at a position where the required talent and disposition exceeds the abilities of the individual. When this happens, the person will no longer be promoted since the current job isn't being done properly (a condition referred in the book as "final placement"). As a result, the incumbent is left doing an incompetent job for the remainder of his or her career. Since no one likes doing a job incompetently, but at the same time doesn't want to be fired or demoted, the incumbent's remaining career is spent doing something he or she doesn't want to do, and finding strategies to avoid others from realizing the job isn't being properly accomplished (several are suggested in the book). Meanwhile, the enterprise is plagued with errors and inefficiencies.

From the purely parochial point of view of auditors and analysts who are paid to locate errors, *The Peter Principle* is good for perpetuating our industry. On the other hand, just like dentists shouldn't encourage eating candy, so auditors should not encourage *The Peter Principle* running amok in an organization. Unfortunately, the solutions offered in the book are not likely to be audit recommendations, such as giving an incompetent manager a promotion to a non-influential position (referred to as "pseudo promotion" or kicking upstairs).

There are some circumstances where the *Principle* doesn't apply. The primary example is where some people are kept in a position of competency due to management refusal to promote certain classes of employees, such as women or minorities. I don't think anyone would recommend this in an audit report.

Rather than seek solutions at the enterprise level, Hull and Peter aim their advice at the individual, giving suggestions on how an employee can creatively avoid being promoted and thus spend a career happily working at a level good for the employee and the employer.

ARTICLES and PHOTOS WANTED

We are looking for articles to include in the SOUNDER. Please submit items for inclusion and attribution.

Also, we like to decorate the first page of The Sounder with a local photo each month.

If you have an article or picture to contribute, please send it to Tim Dobler at

DOBLER5@MSN.COM. When we use your photo, we will acknowledge you in our credits section.

Financial Condition as of September 30, 2016

Checking	\$ 2,859.11
Savings	\$ 4,062.25
12 Month Certificate of Deposit	<u>\$ 4,650.52</u>
Total Assets	\$11,571.88
Liabilities	\$ 0.00
Members' Equity	<u>\$ 11,571.88</u>
Liabilities & Members' Equity	\$11,571.88

Cash Flow Report, as of September 30, 2016

Beginning Cash Balance		<u>\$11,625.80</u>
Lunch meals, speaker costs		<u>55.87</u>
Subtotal Cash Expended		<u>55.87</u>
Cash Deposits		
AGA Dues Received	\$ 0.00	
Board Dinner Reimbursements	\$ 0.00	
Interest Income	\$ 1.95	
Subtotal Cash Deposits		<u>\$ 1.95</u>
Net Cash Change		<u>\$ 53.92</u>
Ending Cash Balance		<u>\$11,571.88</u>

AGA Seattle Chapter Recognition Program Points

Chapter Recognition Program categories	Points to Date
Section I - Chapter Leadership, Planning, & Participation	1,725
Section II - Education & Professional Development	650
Section III - Certification	0
Section IV - Communications	1,624
Section V - Membership with a Focus on Early Career and Student Members	1,825
Section VI - Accountability	0
Section VII - Community Service	0
Section VIII - Awards	100
Total as of September 2016	5,924

Recognition Levels:

A **Bronze Chapter Designation** will be presented to any chapter that attains between 10,000 and 14,500 credits for the year. The chapter president's plaque will include recognition that the chapter has achieved Bronze status.

A **Silver Chapter Designation** will be presented to any chapter that attains between 14,501 and 17,000 credits for the year. The chapter president's plaque will include recognition that the chapter has achieved Silver status.

A **Gold Chapter Designation** will be presented to any chapter that attains between 17,001 and 19,500 credits for the year. The chapter president's plaque will include recognition that the chapter has achieved Gold status.

The **Platinum Chapter Designation** will be presented to any chapter that attains between 19,501 and 22,000 credits for the year. The chapter president's plaque will include recognition that the chapter has achieved Platinum status.



WE'RE ON THE WEB:
WWW.AGASEATTLE.ORG

AGA serves government accountability professionals by providing quality education, fostering professional development and certification, and supporting standards and research to advance government accountability.

The purpose of the Association and the Chapter is to be an international, professional organization dedicated to the advancement of government financial management. The Association shall serve its members by providing or sponsoring appropriate educational programs, encouraging professional development, influencing governmental financial management policies and practices, and serving as an advocate for the profession. The Association shall serve government officials and the public by sponsoring efforts to ensure full and fair accountability for all public monies, and by providing a variety of pro bono services throughout the United States and its territories that support that end.

**AGA Seattle Chapter
2016-2017 Board Members**

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Open

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This newsletter was produced by board member Tim Dobler, with the assistance of Karyn Angulo. Thanks to chapter members who contributed articles and photos for this issue. Masthead Photo—"A foggy fall morning in Seattle"—by Karyn Angulo.