

ASSOCIATION OF
GOVERNMENT
ACCOUNTANTS

AGANEWSLETTER

WASHINGTON CHAPTER

DECEMBER 1985

THURSDAY DECEMBER 5, 1985 LUNCHEON MEETING TO FEATURE



SUSAN KING

**Anchorwoman, Channel 4 News, Live at 6 P.M.
And Cover Story, Channel 4 News, Live at 11 P.M.**

Speaking on

COVER STORY:

Behind the Scenes in Television Newscasting

at the

**SAM RAYBURN HOUSE OFFICE BUILDING
Room B-338, "C" and South Capitol Streets
Near Capitol South Metro Station**

Social Period
Luncheon
Cost

11:15
12:00
\$10.00 (w/Reservation)
\$12.00 (w/o Reservation)

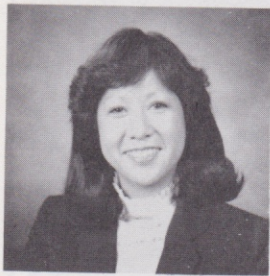
**For Luncheon Reservations Call 695-7954
Telephone Reservations Accepted Thru December 3, 1985**

NON MEMBERS WELCOME

All Reservations Guaranteed

Meeting Schedule: • Dec. 5 • Jan. 9 • Feb. 6 • Mar. 6 • Apr. 3 • May 1

PRESIDENT'S MESSAGE



SUSAN LEE
**Financial Management
Service**

December is a special time for giving and there are many ways that we as a financial management organization can also join in the joyous holiday spirit and contribute in our own way. Making use of our financial backgrounds, there are those in our own community—the elderly, the disadvantaged, and minorities—who would appreciate our help in providing simple guidance in financial matters and personal budgeting, or our assistance in preparing income tax returns. While we can tailor our help to meet the needs of any individual or group of people, there are some projects that have already been developed that we can apply.

Joe Perricone, our Public Service Coordinator, has contacted the Internal Revenue Service to coordinate our participation in their Volunteer Income Tax Assistance (VITA) Program. This program is designed to provide free assistance with simple tax returns to lower income, elderly, non-English speaking, and handicapped taxpayers. Our Chapter has participated in this program for a number of years and the same individuals seem to volunteer their help year after year. Apparently, the personal satisfaction from participating in this program and helping others who are so appreciative has been the impetus for many to re-volunteer each year.

We as a chapter can also provide instruction for a nine-module course sponsored by the Internal Revenue Service on taxpayer responsibilities and rights, how to prepare an income tax return, the history of taxation, economics of taxation, politics of taxation, state taxes, facts and fallacies about the IRS, glossary of tax terms, and current issues in taxation. Each module lasts about one or two hours, and can be presented singly or together with other modules. In particular, high school and college level students would benefit from this course.

Another course already underway is our Basic Training Course in Accounting and Financial Management, which is offered free to individuals in small businesses. The course is designed to give participants a basic understanding of accounting principles and procedures

in order to set up and maintain a simple set of accounting records.

Working together with the Service Corps of Retired Executives (SCORE) and the Active Corps of Executives (ACE), AGA can also provide counseling services to people starting a new business, having problems with an existing business, or planning to expand their business.

These are just some of the ways that we as a financial organization, by using the special skills and experience that we possess, can demonstrate our commitment and support to the community in which we live. If you are interested in helping—we will provide you with the guidance and instruction you will need; also, the amount of time you could contribute could be as little as a day—contact Joe on 245-6236. If you know, or work with individuals or groups, such as I mentioned, that would benefit from the assistance we could provide, let me know. In our own way we can help others who are not as fortunate as we.

Happy Holidays! I hope this holiday season is especially joyous and filled to the brim for each of you with glad and wondrous tidings.

AGENCY LIAISON PROGRAM

**By Mark Page, Director
Publicity and Agency Liaison**

The Washington Chapter is rebuilding its Agency Membership Network. The purpose of this network is to provide a two-way information resource to our members. Our intent is to begin with an agency member contact in the thirty departments and independent agencies where we have the largest number of members. When we complete that goal, we will move on to all other agencies. The agency member contact will serve as a source of information to other members in the following ways.

- Information on meetings and seminars
- Opportunities for participation in AGA committees
- Opportunities for publication
- Feedback to the AGA Board on members needs; meeting content, services, issues
- Information to members on AGA benefits

As the liaison program grows, we will also look at other methods of providing direct information to members such as telephone dial-up information services and electronic bulletin boards.

To build the Agency Membership Network, we will be calling members to participate as Agency Member Contacts. Many of you are ready now to get involved in AGA, to make a contribution to our profession, and to broaden your own range of professional contacts. Whether you work for a large or small agency, call me to participate as an Agency Member Contact. (Office 566-5038; Home 362-2362)

ASSOCIATION OF GOVERNMENT ACCOUNTANTS WASHINGTON CHAPTER EXECUTIVE BOARD 1985-1986

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Service, 535-9693

President-Elect

Gary Palmquist, Peace Corps, 254-8320

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Judith Boyd, Financial Management

Service, 535-9693

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Daniel McGrath, Financial Management

Service, 566-3206

Newsletter

Lee Beaty, GAO, 275-9430

Programs

David Dukes, JFMIP, 326-5415

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Marcus Page, Financial Management

Service, 566-5038

Relations With National Office

William Kendig, Interior, 343-4701

Research

Gail Young, Energy, 252-4171

Committee Chairs

Awards

Doris Chew, JFMIP, 376-5415

Chapter Evaluation

Ronald Lynch, Arthur Andersen, 862-3324

Chapter Recognition

Jean Bowles, State, 524-1188

Cooperation with Professional Organizations

Gary Patterson, Alexander Grant,

296-7800

Employment Referral

L.A. Isenberg, Agriculture, 447-6090

Newsletter

Anna Wilson, Financial Management

Service, 535-9693

Professional Notes

Charles McAndrew, GAO, 275-9476

Public Service Coordinator

Joseph Perricone, HHS, 245-6236

Publications

Loretta Shogren, Justice, 633-3291

Small Business Education

John Cherbini, GAO, 275-9488

ABOUT OUR SPEAKER THIS MONTH

Susan King joined WRC-TV in January 1983 as the reporter/producer of "COVER STORY," a unique segment on CHANNEL 4 NEWS: LIVE AT 11 PM. Through "COVER STORY" Ms. King brings an insider's scrutiny behind the major news of the day. This provides viewers with a rare look at the people and power that make the nation's capital a town of intrigue, bureaucracies, and history. In August 1984, Ms. King was named an anchor of CHANNEL 4 NEWS: LIVE AT 6 PM with newscaster Bob McBride while continuing "COVER STORY" at 11 PM. She also is the frequent host of public affairs specials and news documentaries on WRC-TV.

Ms. King came to WRC-TV from the ABC News Washington Bureau where she spent three years. During that time, she specialized in political stories covering, among others, then First Lady Rosalynn Carter, Vice President Walter Mondale, candidate George Bush, the Republican National Convention and the Democratic National Convention during the 1980 elections. In addition, Ms. King covered the transition of President-Elect Ronald Reagan in California and served as ABC White House correspondent from the inauguration of President Reagan until October 1981.

Before joining ABC, Ms. King was a popular and visible reporter/anchor for WDVM in Washington where she not only anchored that CBS station's weekend news for one and one-half years, but also served as the station's major Washington political reporter.

Ms. King began her television journalism career in 1969 as a researcher for NBC White Paper. She subsequently was appointed correspondent to CBS anchorman Walter Cronkite. She began her air career as reporter/anchor at WGR-TV in Buffalo, New York, and came to WDVM and Washington in 1975.

Ms. King is the recipient of numerous awards. Most recently, she was presented the coveted INDIVIDUAL ACHIEVEMENT AWARD by the Washington Emmy Award Board. She was also named the 1984-85 "Best Reporter" by *Washingtonian Magazine*. Ms. King's "COVER STORY" has received several awards. In 1984, she was awarded an Emmy for "This is Lebanon," a half-hour special in which King traveled to war-torn Lebanon to report first-hand on the devastation of that country. The American Association of University Women also presented Ms. King with an award for the Lebanon special.

A graduate of Marymont College in Tarrytown, New York, Ms. King received a Master of Arts Degree in Communications from Fairfield University in Fairfield, Connecticut. In addition, she spent her junior year of undergraduate training studying at University College, London, England.

Ms. King is married and lives in Northwest Washington.

NEWSLETTER COMMITTEE REPORT— DUE DATES FOR NEWSLETTER INPUT

Following are 1985-86 due dates for input to the AGA Washington Chapter Newsletter:

February	December 30	April	February 24
March	January 27	May	March 24

Articles or other input are encouraged and should be forwarded to Lee Beaty (275-9430) or Anna Wilson (535-9693)

**Plan Now For
The PDC
June 23-25, 1986
Baltimore, MD**

MEMBERSHIP RESPONSE TO APPEALS FOR INCREASED RECRUITMENT ACTIVITY GOOD

By Daniel McGrath, Director of Membership

The response of the general membership to the One-for-One Recruitment Campaign started this fall is showing results. Under this program each member is asked to approach at least one non-member and invite them to join the AGA Washington Chapter. If you have not yet participated in this effort, you are encouraged to do so as soon as possible. To those members who have already made an effort, the membership committee sincerely appreciates your participation and hopes you will continue with additional attempts at recruiting members. To facilitate this process, a membership application form is reprinted on page 11 in this issue of the Newsletter. However, should you prefer to make your pitch using the full application brochure, you may pick them up at any of the regular luncheon meetings or obtain them by calling Dan McGrath, Director of Membership on 566-3206.

On another front, the membership committee's efforts at recruiting Assistant Membership Committee Chairpersons in the various agencies, or organizations having governmental affiliation, is also starting to show success as indicated by the following list of members who have volunteered to participate so far.

Name	Organization
Rolf Wold	DOT
Christy Poindexter	HHS
Lenwood Keyes	Treasury FMS
Sue Fields	HHS NIH
Elena Pappas	Price Waterhouse
Vern Isenberg	Agriculture FmHA
Neil Tierney	Arthur Young
Philip Giza	Treasury FMS

Although we are happy with the results to date, we still need more people to serve in the capacity of Assistant Membership Committee Chairperson. It can not be overemphasized that the time commitment for this position is minimal and presents an ideal opportunity for members who would like to be active but have not been able to devote the time to the Association's more involved endeavors to participate. If you are interested, or would like more information, please contact Dan McGrath on 566-3206 at your convenience.

MANAGEMENT PRIORITIES FOR THE COMING YEAR

(Editor's Note: Carole Dineen, OMB Associate Director for Management, was guest speaker at the Chapter's October 3 meeting. Following is a synopsis of her

remarks developed and submitted by David Dukes, Chapter Program Director.)

Ms. Dineen acknowledged that she has been at OMB for only a short time (less than two months). During that time, she has been formulating a management agenda which builds on the successes in cash management and debt management.

She stated that in the management improvement area, OMB needs to set clearer priorities, as well as fewer priorities with more payoff. Also, OMB needs to reduce the reporting burden, and Reform '88 needs to be institutionalized in the agencies.

Ms. Dineen pointed to four principal strategies for carrying out management reforms. First, achieve a better job of implementation by using lead agencies and reserve OMB for oversight. For example, OMB is working to help Treasury take the lead in debt and credit management. GSA could be asked to lead the effort in physical resource management; OPM could be asked to lead in human resource management.

Second, Ms. Dineen said that the focus should be on fewer projects. This would entail the defining of objectives and setting of objectives. OMB would create a menu from which agencies would select for the greatest payoff.

The third strategem involves the negotiation of a management agenda. For this, agencies would draw from the Reform '88 menu. The agenda for individual agencies could be different based on the payoff.

Finally, Ms. Dineen stated that OMB would focus on deregulating the agencies. As evidence, Ms. Dineen pointed out that 19 out of 57 OMB Circulars are being dropped and 27 more are being revised. She expected that Circulars A-123 and A-127 will be streamlined, making A-123 in particular less paper intensive.

Ms. Dineen indicated that she has high hopes for getting the above strategies in place by January 1986.

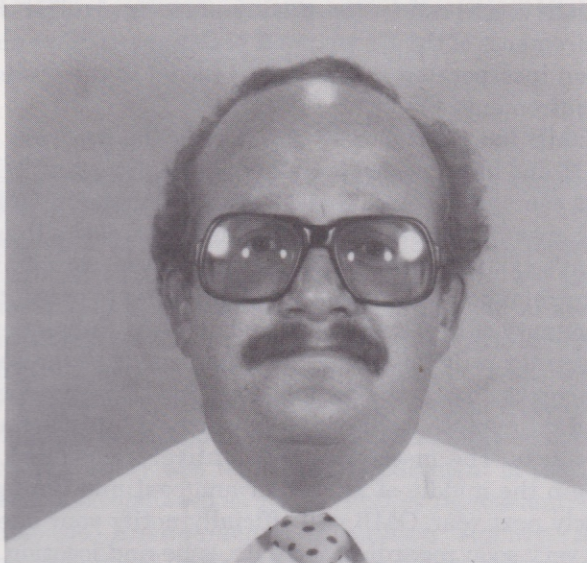
BECAUSE IT CONCERNS ME

Gary A. Palmquist, President Elect

I strongly support National President June G. Brown's message in the September/October 1985 issue of "Topics" that she intends to actively defend the image of government workers during her tenure. I hope all the membership will assist June in this effort.

Last month I mentioned that small agency IG's may be in trouble. This month I got a call from a member who says at least three agencies have or will downgrade their staff and operating accountants. Again, I'd like to learn specifics if you know them. We need to analyze the impact on the Administration's Financial Management Initiatives.

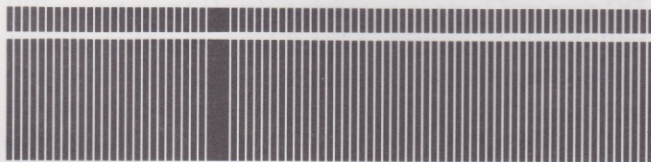
Write me with your concerns or comments at P.O. Box 423, Washington, D.C. 20044-0423.



MEMBER PROFILE—ROLF WOLD

Rolf moved to Washington, D.C., from the Philadelphia area to work as a fingerprint clerk at the Federal Bureau of Investigation while he attended South-eastern University. When he graduated in 1972, Rolf went to work at the Treasury Department's Bureau of Accounts, the predecessor organization to the Financial Management Service, where he worked mainly in the systems development area writing policies and procedures. He moved on to the Department of Health and Human Services in 1979 where he traveled to numerous States to help them convert from a "letter of credit" to a "delayed draw down" method of drawing advances of Federal funds. Rolf left HHS to work for the Environmental Protection Agency in 1982, first at their headquarters office and then at their finance office in Las Vegas, Nevada. A little over a year ago he left EPA to come back to the Washington area where his family felt more at home, and where he had what he considered an unusually good work opportunity in the Secretary of Transportation's Office of Financial Management.

Rolf has been a member of AGA since 1974, has worked on several committees and is presently the Chapter photographer. He, his wife, and four children live in the Annapolis area.



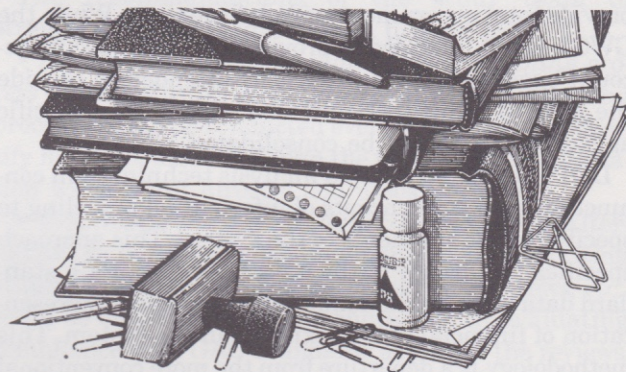
NEWS FROM NATIONAL

NEW CHAPTER ACTIVITY—A group of 21 people in Olympia, Washington, have petitioned AGA for the

chartering of a new chapter in that city. The group has been spearheaded by Jack Heinricher, Assistant State Auditor, who estimates a potential of some 250 members for the new chapter. Located in the state capital, most of the potential members would come from state employees, with the petitioners citing the State Auditor's Office, the Office of Financial Management, the Department of Transportation, and the Employment Security Department as having significant numbers of financial management personnel. The Seattle Chapter has agreed to sponsor the new chapter, with Regional Vice President Dick Nygaard also active in the developments.

AUDIT REPORT WILL APPEAR IN TOPICS—AGA's auditors, Watson, Rice & Co., have completed their audit of the Association's records for FY 1985. The audited financial statements, the auditor's opinion, and appropriate comments on the significance of the figures will appear as an "Annual Report" in the December issue of our national newsletter, TOPICS. Watch for it!

FMSB SEEKS MEMBER INPUT—Your national Financial Management Standards Board speaks for the entire AGA membership on accounting issues. For this reason, this year's Board is particularly desirous of getting member input into its deliberation. It has published, in National Office Memo 86-01, a list of its projects through the end of 1985, and has invited member comment on these projects to the FMSB "lead member," who is identified in the NOM. Check your chapter headquarters for this NOM, which was published on October 4, 1985, and let your voice be heard.



CHANGING YOUR ADDRESS

The easiest and surest way of changing your mailing address for all Chapter and National Office mailings is to mail a notice with the new address and an AGA mailing label with the old address on it to:

AGA National Office
727 South 23rd Street, Suite 120
Arlington, Virginia 22202

ACCOUNTING AND FINANCIAL INFORMATION SYSTEM AT TRANSPORTATION

By Joyce D. Shelton

The Department of Transportation (DOT) is developing a single Departmental Accounting and Financial Information System that will integrate program, budget, and accounting activities. The system will be designed as a model for domestic agencies of the Federal Government in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-127, Financial Management Systems. DOT has approached this initiative in two integrated efforts: 1) development of a Standard Government-wide General Ledger Chart of Accounts, and 2) development of generic accounting and financial management requirements.

DOT has been working as the lead agency to develop the Standard Government-wide General Ledger Chart of Accounts (GWGL). Other participating agencies are Health and Human Services, General Services Administration, Commerce, Justice, Agriculture, and JFMIP. The GWGL will consist of descriptive titles, standard definitions of each account, and related debit and credit entries. In addition the GWGL is designed to facilitate automated preparation of many of the external reports. With the standard definitions, uniform data structures, and modern data base technology, the GWGL will provide department officials total programmatic and administrative information from which decisions can be made. Also, it is intended that the department-wide information can be consolidated at the highest level to provide total government-wide information. While the GWGL is not intended to provide for every specific account used by every agency, it is intended to provide the general framework into which lower level specific agency accounts can be consolidated.

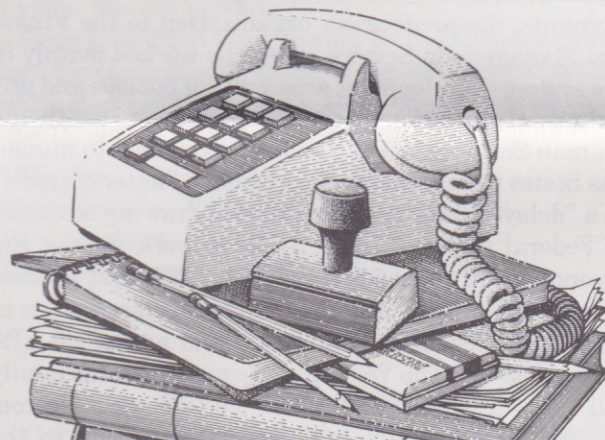
DOT is using structured analysis techniques in conjunction with the concepts of information modeling to specify the requirements of the system. This approach specifies the design of the data base through a standard data element dictionary and the logical representation of financial events existing in the system. This methodology is a departure from the more conventional approach of designing the processes of the system. The requirements are generic in their description for uniform use throughout the Government. The requirements will be available to other agencies, for use in their system development efforts. DOT believes that the generic requirements will reduce development cost as well as provide a baseline for requirements development in other agencies.

DOT will use these generic requirements along with other unique requirements to form the basis for its Departmental system which will replace its existing accounting systems. To date, over 75 generic financial events, 89 data stores, and more than 500 data ele-

ments have been identified and defined. The requirements of the Department of Commerce have also been incorporated in the logical model of the system requirements.

OMB has been closely monitoring the progress in DOT and has provided overall guidance. Now that DOT has completed "draft copies" of these products, OMB is convening meetings with the members of the President's Council on Management Improvement and financial representatives from all agencies to present a summary of DOT's approach and progress. Subsequent meetings will be held with other agency representatives to discuss the technical aspects of the products and incorporate additional requirements into the final products. The meetings are tentatively scheduled to begin the middle of November and continue through early next year. OMB will officially notify your agency very soon regarding the date, time and location of the meetings. If you have any questions regarding DOT's development activities, call George Henderson, Project Leader, on 426-7442.

Joyce Shelton is Director of Financial Management at the U.S. Department of Transportation, and a member of AGA Washington Chapter.



VOLUNTEER TAX ASSISTANCE

by Joseph Perricone
Chapter Public Service Coordinator

The time is just around the corner! Washington Chapter needs volunteers to provide tax assistance to DC area residents in preparing simple tax returns. IRS will shortly be printing a list of tax preparation centers in various community locations. IRS will also be sponsoring tax preparation courses in Dec-Jan. The courses are for those who need to brush up on recent changes in tax laws. Accountants can usually obtain a waiver from the courses, however.

Let's have many volunteers this year to demonstrate the Washington Chapter's spirit in helping fellow citizens of our area in need. Please contact me on 245-6236 for more specific information.

STRENGTHENING MANAGEMENT CONTROLS WITH LESS EFFORT

By Dr. William F. Kendig
Department of the Interior

The President's Council on Management Improvement (PCMI) has completed a study of the paperwork generated in implementing the Federal Managers' Financial Integrity Act of 1982. The study was conducted from June through August 1985 to analyze paperwork created in implementing the Act, identify effective, less paper-intensive processes that were developed by agencies, recommend actions to reduce this paperwork, and to improve implementation of the Act. The study was led by the Department of the Interior, and conducted as a joint effort by representatives from the Environmental Protection Agency, the Departments of Defense, Health and Human Services, Housing and Urban Development, Interior, and Transportation, and the General Accounting Office (GAO).

The study findings and recommendations were based upon FY 1984 data provided by 23 agencies and 18 Inspectors General that responded to a questionnaire. The questionnaire was supplemented by interviews with Office of Management and Budget, GAO, and agency officials. GAO also provided a written response to questions by the study team.

The major study findings were:

- *A substantial time and paper burden was created in the FY 1984 Act implementation—1.2 million staff days and 1.6 million original pages of process documentation.* This effort translates into an annual direct salary cost of \$240 million and 5,800 FTEs.

- *The bulk of the effort (80% of staff days and 84% of paper) was spent on evaluating controls versus getting ready to perform the process and reporting upon the results.*

- Vulnerability Assessments (VAs)—9% of time and 28% of paper;

- Internal Control Reviews (ICRs)—30% of time and 36% of paper;

- Alternative ICRs—41% of time and 20% of paper.

- *Most agencies (16 of 23) believe similar VA results could have been accomplished through a simpler process with less paper.*

- *Auditors are suggesting still additional VA and ICR documentation.* Seventeen of 21 responding agencies report auditors suggested additional VA paper; 17 of 19 report auditor suggestions for additional ICR documentation.

- *Eight agencies that performed alternatives to ICRs did so with less time and paper than required by an ICR.* Only 231 of a total of 551 material weaknesses reported to the President and the Congress were found through the internal control review process. The balance of the "weaknesses" was identified through

audits, management studies, and managers' knowledge of the programs. IGs confirmed the agencies' experiences; 15 reported being aware of at least 60 percent of the material weaknesses prior to the reviews.

- *Weaknesses reported to the President and Congress identified through the internal control review process cost an estimated \$1 million each.*

- *Agencies are confused over the implementing guidance.* OMB and GAO disagree on interpretations of the OMB Guidelines and reasonable assurance. Circulars A-123 and 127 result in additional confusion. Agencies do not have uniform interpretation of the Guidelines—13 believe they are discretionary; 9 believe they are required. OMB and the agencies generally believe that a strong ongoing program of evaluating, reporting, and improving controls (in the absence of a disproportionate number of significant material weaknesses) provides reasonable assurance. GAO believes agencies should evaluate a significant number of control systems before providing reasonable assurance.

The study highlights six processes developed by agencies to review controls with less effort. The processes are:

- Education's Automated Vulnerability Assessment
- Federal Highway Administration's Vulnerability Assessment
- Interior's Vulnerability Assessment Process
- Small Business Administration's Automated Internal Control Reviews
- Housing and Urban Developments' Preliminary Review Process, and
- Army's Checklist Approach to ICRs.

The recommendations of the study team to strengthen the internal control process are:

- *Replace the VA with a management planning process that emphasizes managerial judgment.* A planning process should be conducted every 3 to 4 years to identify high risk areas and plan the type of control evaluation which most directly addresses the risk.

- *Emphasize the use of alternatives to ICRs.* Alternatives to ICRs, such as management and consulting studies, Circular A-71 computer security reviews, etc., could be emphasized and strengthened by evaluating compliance with GAO Standards as part of the reviews.

- *Concentrate audits of the implementation of the Act on the results achieved.* Trace deficiencies cited in all other audit reports to specific internal control breakdowns; and evaluate and report upon internal controls in audit reports. Auditors have emphasized the review process at the expense of results. Audits of the implementation of the Act should focus on whether agencies have identified material weaknesses, taken corrective actions, and improved their controls. In other audit reports, deficiencies should be traced to internal control breakdowns and the adequacy of internal controls should be highlighted by including a separate evaluation of internal controls. Moreover, agencies that are

continued on page 10

CONSOLIDATED FINANCIAL STATEMENT RELEASED

WASHINGTON—Amidst all the talk about running the Government like a business, did you ever wonder what Government reports would be like if they looked like the financial reports of businesses?

For example, what are the Government's inventories? What is the cost of other property that the Government owns?

Do you know how much the Federal Government borrows from the public? Or the total Federal insurance coverage in force on businesses and individuals against various types of risks?

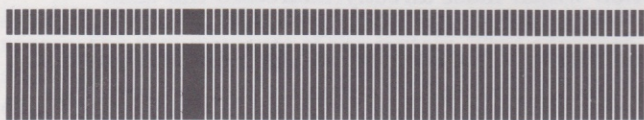
The answers to these and other questions are included in a prototype edition of the Consolidated Financial Statement (CFS) for the United States released by the Financial Management Service, Department of the Treasury. The data is based on Fiscal Year 1984.

The CFS provides information about the assets, liabilities, and financial operations of the Federal Government, as a whole, presented in a business-like format. Although the report is still a prototype, it represents another step toward enhancing the integrity and credibility of Federal Government financial management.

The format of the 1984 CFS has been revised to add narrative and graphic material to the financial statements and the supplemental schedules. The financial statements and the notes to financial statements have not changed; at the same time, this revised presentation expands upon items and relationships in the statements, and it highlights selected items.

The CFS is for sale by the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The price is \$1.75.

Submitted by Judy Graf of Treasury.



ABOUT CHAPTER MEMBERS

Congratulations in order to:

Virginia Robinson, GAO, and **John Toole**, Ernst & Whinney, on their election to the AGA National Executive Committee. Another Washington Chapter member, **William F. Kendig**, Interior, who was elected last year, is also presently serving on the Committee.

George Peck of GAO's Human Resources Division, and **Arley Whitsell** of GAO's Office of Internal Evaluation for their recent Special Commendation Awards.

Don't forget to call us with your news About Chapter Members (Lee Beaty, 275-9430, or Anna Wilson, 535-9693).

EXECUTIVE COMMITTEE MEETING REPORT

By Ken George, Chapter Secretary

The Washington Chapter Executive Committee met at noon on Thursday October 31st for the third regularly scheduled meeting of the 1985/86 year.

The minutes of the September 26th board meeting were approved with a change in item 7 adding November 5th to the date of the seminar. Carol Lynch motion - Gary Palmquist second.

National Office Memorandums (NOM).

- Susan Lee read NOM 86-05 (NBD) concerning nominations for Annual National Awards. The president appointed Doris Chew to the project.
- Susan Lee also read NOM 86-01 (FME) on the Volunteer Income Tax Assistance (VITA) program. The president appointed Joe Perricone to the project.

Gary Palmquist, chairing the nominating committee, suggested we endorse the Montgomery-Prince Georges' nomination for AGA National President—Mr. Donald E. Kirkendall and the Northern Virginia nomination for Regional Vice President—Mr. James H. Curry.

Motion made by Bill Kendig - seconded by Carol Lynch. Motion passed.

Gary submitted the following for the Chapter officers and directors. Motion made by Joe Rothschild - seconded by Ken George to place this slate of candidates on the 1986 ballot. Motion passed.

Officers

Terry Conway, President
Vern Isenberg, Treasurer
Helen Sherman, Secretary

Directors

Anna Wilson
Mike Merson
Ken George
Steve Varholý
Roth Wold
Loretta Shogren
Charles McAndrew

Gary Patterson was introduced as the new Chairman of the Committee on Cooperation with Professional Organizations. Gary discussed the desirability of joining the Public Employees Roundtable on Image Improvement. Motion made by Bill Kendig, seconded by Joe Rothschild to join the roundtable (with caveat that dues do not exceed \$50.00 per month). Motion passed.

Vern Isenberg, Chairman of the Employment Referral Committee, discussed draft plan to get better utilization of personnel offices in helping our members seeking employment opportunities.

Dan McGrath, Director of Membership Committee, discussed (with handout) a supplement to the Chapter Membership Committee action plan. No action needed by board. Dan also asked if we should invite the members of the Virginia Battlefield Chapter if they disband. Dan suggested the following approach.

"The Director, Membership, Washington Chapter, is
continued on page 10

COOLEY'S COMEDY CORNER

By John Cooley

Normally, at the annual AGA Professional Development Conference, I find enough humor for at least two of these columns. Not this year. I didn't hear enough jokes at San Diego for one column. The most amusing speakers at the conference were three clergymen who delivered imaginative prayers thanking God for the food and asking him to help us beleaguered government accountants to cope with the dull drudgery of our work.

Why is humor declining in government accounting circles? Some say that we have never been a "fun bunch"—that the accounting profession attracts shy people—that we are dull introverts. I have a different theory. I think we are overworked. The evidence that many government accountants are "burned-out" is all around. How can we have fun when we are so concerned about deficits, waste, and declining capabilities with growing workloads? A front page headline in a recent *Wall Street Journal* illustrates my point:

"Ailing Watchdogs: State Bank Examiners often Lack Numbers and Skills to Do the Work—They Blame Skimpy Budgets and High Turnovers; Endless Travel is a Drag."

This same article quoted the Commissioner of Savings and Loans in California as stating "There's nobody on my staff capable of analyzing junk bonds."

While humor in government accounting circles is down, the situation is different in Public Accounting. In his book, *The Accounting Wars*, Mark Stevens says that some public accounting firms are trying to use humor to turn their top professionals into salesmen. He says that certain salesmanship consultants insist that the "... closet-case auditor can be transformed, a la Cinderella, into the Ed McMahon of accounting." He says that CPA firms have been borrowing all of Madison Avenue's tools in an effort to compete for new business. One accounting firm even hired cartoonist Charles Addams to do the cover for its annual report.

Regardless of what people say, most accountants enjoy a good joke. One AICPA group even invited Art Buchwald to their meeting. Buchwald quipped "I've always wanted to meet the people who write those footnotes." Accountants can be funny occasionally. For example, I found the attached item in the July 17, 1985 issue of *The Wall Street Journal*:

On request from the Maryland House of Correction's Library, the National Association of Accountants sent it 100 brochures called "There's a Future in Accounting," plus "our code of ethics, just in case."

Government Accountants tend to get limited exercise during the workday, and too many of us are overweight. One of my problems is that during temporary

duty travel I go on a "Sea food diet"—I eat everything I "see." Actually, while trips provide an excuse to overindulge, I'm doing a little better now that the per diem allowance is so low. If I stay in a decent hotel, there is not enough money left to overeat.

I heard about one GAO auditor who was overweight and also had bad breath. He lost 40 pounds and spent \$5,000 to get rid of bad breath only to find that the recipients of his audit findings still didn't like him.

If you're worried about not getting enough exercise because you're not jogging, worry no more. We accountants do indeed burn up calories despite the sedentary nature of our jobs. The following chart tells how, along with the estimated calories burned per hour for each activity:

Chasing weaknesses in Internal Controls	80
Plugging the accounts	100
Opening conferences	200
Taking out the garbage (from computers)	60
Beating around the bush	60
Weighing evidence	95
Jumping to conclusions	25
Passing the buck	10
Overrunning cost estimates	20
Climbing the walls	80
Carrying bad debts	200
Charging customers	70
Pushing your luck	20
Adding fuel to the fire	80
Hitting the nail on the head	20
Wading through paperwork	140
Raising the bottom line	75
Whistle blowing	140
Kiting	325
Bending over backward	180
Jumping on the bandwagon	75
Tooting your own horn	80
Climbing the ladder of success	300
Pulling out all the stops	40
Tying up the loose ends	15
Padding expense accounts	175
Jacking up the prices	145
Wrapping it up at day's end	12

The above was based in part on an article in the March/April 1985 issue of *Creative Management* provided by one of my best sources of humor, Jerry Murphy.

In spite of using a lot of energy on many of the above activities, I still have trouble controlling my weight. And these modern scales are disgusting. The other day I stepped on some new scales and a computerized voice said, "One person at a time, please."

Advice for the Month: The next time you see a loose dollar bill on the ground, go ahead and pick it up. Who knows, you might find something valuable under it. At least you will get some much needed exercise.

ABOUT AGA MEMBERSHIP

QUALIFICATIONS

- **Full Member**—an individual who has a minimum of 6 years experience in accounting, auditing, budgeting, or other financial management fields. A graduate of an accredited college or university with a major in the financial management or allied fields may substitute education for experience. A four-year degree counts as 3 years of experience. Holders of CPA, CMA and CIA certificates are qualified for full membership without further experience requirements.

- **Associate Member**—a colleague that has less than the experience requirement for full membership. Except for holding an elected national office, all other services and privileges of membership are provided. It is anticipated that associate members will become full members through additional experience.

- **Special Associate Member**—only for junior associates in their first year of employment and full-time students.

HOW TO APPLY

Complete the "application for membership." Please type or print all information requested. You may send the completed application, with a check for the first year's national dues to the national office or, if practicable, to the chapter president or membership chairperson in the locality in which you reside or work.

Your application will be acknowledged promptly and processed within 60 days from the date of receipt in the national office.

ANNUAL DUES

NATIONAL DUES

Full Member	\$32.50
Associate Member	\$22.50
Special Associate	\$ 8.75

CHAPTER DUES

Vary according to chapter.
Wash. Chap.
is \$7.50

Your check should be made payable to AGA in the total amount of the dues.

AGA has been granted an Internal Revenue Service exemption from income taxes under 501(c)(3) of the code. If you detail your income deductions for tax purposes, the amount paid for AGA dues is tax deductible.

STRENGTHENING MANAGEMENT

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conducting internal control training can assist auditors in focusing on results by inviting GAO/IG auditors to participate in agency training sessions.

- *Improve overall direction and coordination.* OMB/GAO should agree upon the interpretation of the OMB Guidelines and the definition of reasonable assurance and, if agreement cannot be reached, differences should be clarified. OMB should consolidate Circulars A-123/A-127. The PCMI should establish an Interagency Act Coordination Committee to work toward improving, clarifying, and coordinating Act implementation guidance.

OMB's Associate Director for Management has established an interagency team chaired by the Assistant Secretary for Administration of the Department of Housing and Urban Development to implement the study recommendations. For more information on the study, contact Dave Holland, Office of Financial Management, U.S. Department of the Interior, on 343-8425.

Bill Kendig is Director of the Department of the Interior's Office of Financial Management.

EXECUTIVE COMMITTEE

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authorized by the Washington Chapter Board to informally discuss recent rumors that the Virginia Battlefield Chapter may disband with the latter chapter's president. If the rumors are true and the Virginia Chapter is receptive the Washington Chapter's Director for Membership is authorized to negotiate with the Virginia Battlefield Chapter, a suitable approach for inviting its members to transfer to the Washington Chapter.

Motion to grant authorization by Bill Kendig - seconded by Vern Isenberg. Motion passed.

Jean Bowles, Chairman of the Chapter Recognition Committee, gave a report on the points system. No action made.

Joe Rothschild, Co-chairman of the Education Committee, reported on the November 20th Credit Management Workshop.

Joe also discussed joint education events with other professional organizations. Joe handed out a proposed Letter of Understanding on such joint educational ventures. Motion made by Carol Lynch, seconded by Ken George to adopt proposed Letter of Understanding as written.

The November board meeting will be held on Thursday the 21st.

Meeting adjourned 1:30 P.M.

Application for Membership



Association of Government Accountants

NAME OF APPLICANT: Mr. _____ Ms. _____
Mrs. _____ Miss _____
LAST NAME FIRST NAME MIDDLE NAME JR, II, III, OTHER

MAIL ADDRESS: _____
STREET NUMBER STREET NAME
CITY STATE ZIP

OFFICE TELEPHONE _____ HOME TELEPHONE _____
AREA CODE NUMBER EXTENSION AREA CODE NUMBER EXTENSION

I wish to become a _____ Member of AGA. I wish to join the Washington, D.C. Chapter.
TYPE SEE LIST OF LOCATIONS

EMPLOYER _____ Government: Federal ☐ State ☐ Local ☐
Private Employer ☐ Academia ☐ Other _____

TITLE OF MY POSITION _____
TYPE OF WORK PERFORMED: Administration ☐ Accounting ☐ Auditing ☐ Budgeting ☐ ADP ☐ Other _____
DESCRIPTION

EDUCATIONAL BACKGROUND:
SCHOOL LOCATION (STATE) YEAR FROM TO MAJOR DEGREE

ACCREDITATIONS AND CERTIFICATIONS:
STATE CERTIFICATE NUMBER YEAR
☐ CPA
☐ CIA
☐ CMA
☐ Other _____
DESCRIPTION

FINANCIAL MANAGEMENT EXPERIENCE: (List most recent experience first)
EMPLOYER LOCATION TITLE POSITION SERIES AND GRADE MONTH/YEAR FROM TO

Date of application _____ Signature of applicant _____

Signature of sponsor (optional) _____ NAME
Send one year's national dues with this application to:
AGA, 727 South 23rd Street, Arlington, VA 22202.
Make check payable to AGA.

SPONSOR'S AGA MEMBERSHIP NUMBER Remitted herewith is \$ _____

DID YOU KNOW . . .

by Charles McAndrew

—The Gramm-Rudman Amendment, presently under consideration by the Congress, promises to be the most significant budget legislation since the 1974 Budget and Impoundment Control Act. Basically the legislation would set annual deficit targets to achieve a balanced budget over a period of five years, and requires automatic cuts in programs to achieve the targets. Major debate centers over which programs are to be exempt from the cuts. The Senate version exempts Social Security, interest on the debt, and contracts already agreed to (including weapons systems). The House version would additionally exempt various programs for low-income persons. Due to the broad-based support for the basic idea, there's a good likelihood some version of the Amendment will eventually be enacted.

—On August 30, GSA, as part of its oversight responsibility for implementation of the Paperwork Reduction Act of 1980, sent letters to senior federal Information Resources Management (IRM) officials calling for preparation of the IRM reviews required by the Act. GSA's requirements for the reviews are spelled out in *Federal Information Resources Management Regulation (FIRMR) Temporary Regulation Number 10*. GSA has issued supplementary guidance in its *Federal Information Resources Management Review Program—An Executive Guide*, and its *IRM Review Handbook*. These documents are available from GSA's procurement and Management review program office (566-1332).

—National Archives and Records Administration's Office of the Federal Register has issued its 1985-86 edition of the *United States Government Manual*. The *Manual* describes the basic functions and organization structure, and identifies key officials, of all federal departments and agencies as of July 1, 1985, and is available from the Government Printing Office.

—In September, GAO issued the second in a series of financial management profiles of major departments and agencies. *Veteran's Administration Financial Management Profile* (GAO/AFMD-85-34) describes VA's financial management and accounting systems, including key internal control and automated data processing weaknesses in these systems. The systems are examined using GAO's model that considers financial management in four phases: planning and programming, budgeting, budget execution and accounting, and audits and evaluations. GAO describes VA's efforts to improve the systems and ranks the importance of each financial management system project being developed. The first report in the series, issued in 1984, covers HHS systems (GAO/AFMD 84-15).

—In October GAO issued its second general management review report, *Strong Leadership Needed to Improve Management at the Department of Labor* (GAO/HRD-86-12). An earlier report covered HUD general management. The reviews are GAO's attempt to help improve federal management by helping heads of major departments and agencies understand why they have chronic problems with program delivery and administration and what they can do to prevent the problems from recurring. Other reviews are planned or underway for Social Security, EPA, IRS, and several DOD logistics components.

—GAO's comprehensive October report, *Financial Condition of American Agriculture* (GAO/RCED-86-09), contains GAO's analysis of the nature and causes of agriculture's current problems, and provides information on trends in the economic environment surrounding the farm sector, the farmers' financial condition, and the performance of financial institutions serving agriculture.

—Single copies of GAO reports are available at no charge from GAO's Document Handling and Information Services Facility (275-6241).

—Don't forget to call me on 275-9476 with your financial management items of interest.

NEWSLETTER

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