



Volume 14-02 October 2014

## President's Message

### What's New?

Ever started a conversation by asking "what's new"? I've been doing it a bit lately and it's been quite rewarding. Many folks are happy to tell about their latest good news. They also seem to feel safe talking about a challenge or setback. So, let's assume you asked the AGA-Seattle chapter this question - and here is how we might reply....

### GOOD NEWS

We had a bunch of good things happen in the recent month. Our first monthly meeting was a success with an informative presentation by David Hammond from Sound Transit. We also were able to LIVE-STREAM the session to one of our off-site members via WebEx - all the way to

Minnesota. We realize that coming downtown on mid-day Monday is a serious investment for many of us, and we are working on having a handful of "beta" members participate in the October meeting via the WebEx. If all goes well, we might be able to offer all of our meetings (AND THE CPE) to our members in person as well as via an internet connection.

Other good news includes our growth in the board - we welcome Ryan Guthrie as a new board member. Ryan is a financial auditor with the U.S. Government Accountability Office (GAO). Thanks to his colleagues at GAO who nominated and encouraged him. We have room on the board for a few more folks - this is a great chance to get involved and

*(Continued on page 7)*

## Upcoming Events

Please join us at the GAO Training Room, 28th Floor of the Columbia Center, on Monday, October 20, 2014 for 1 hour CPE provided by Nancy Krier, Assistant Washington State Attorney General.

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Please join us at our October 2014 CPE presentation and brown bag lunch

When/Where

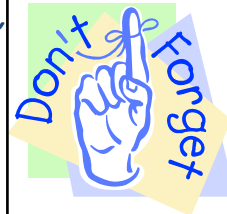
Monday, October 20, 2014, 11:30 am - 1:00 pm

GAO Training Room, Columbia Center, 701 Fifth Ave, 28th Floor.  
Topic: *Overview of the Washington State Public Records Act*

Box lunches will be provided for \$15 (optional).

NO ATTENDANCE CHARGE FOR MEMBERS AND NON-MEMBERS PAY ONLY: \$5.

Please RSVP by Friday, 10/17/14 to [bohanp@gao.gov](mailto:bohanp@gao.gov).



### AGA Seattle Chapter's Monthly Meeting Schedule for Program Year 2014-2015

Save the dates for our monthly education events for program year 2014-2015! Please join us at these luncheon and brown bag events and help us make this program year a success.

**Monday, September 22, 2014 - GAO 28th Floor Training Facility, Columbia Tower,**

David Hammond CPA, Director of the Sound Transit Internal Audit

Topic: Sound Transit Internal Audit Risk Assessment.

**Monday, October 20, 2014 - GAO 28th Floor Training Facility, Columbia Tower.**

Nancy Krier, Assistant Washington State Attorney General for Open Government

Topic: Overview of the Washington State Public Records Act

**Monday, November 17, 2014 - GAO 28th Floor Training Facility, Columbia Tower.**

Daniel Masterson, Sheri Sawyer, and Shawn Looney, Washington State Auditor's Office

Topic: Confronting Local Government Financial Health with a New Tool from the State Auditor's Office

**Wednesday, December 10, 2014 - GAO 28th Floor Training Facility, Columbia Tower.**

AGA web conference on Ethics

**Monday, January 12, 2015 - GAO 28th Floor Training Facility, Columbia Tower.**

Tina Polf CPA

Topic: 2014 Tax Update

**Wednesday, February 4 or 18, 2015 (TBD) - GAO 28th Floor Training Facility,**

AGA web conference

**Wednesday, March 4 or 18, 2015 (TBD) - GAO 28th Floor Training Facility,**

AGA web conference

**Monday & Tuesday, April 20 - 21, 2015 - Governmental Accounting & Auditing Conference**

Tacoma Convention Center with satellite locations in Everett and Spokane and webinar option.

**Monday, May 18, 2015 - Columbia Tower Club - Emerald Award presentation**

## September Speaker David Hammond, Sound Transit Internal Auditor

Our September 22<sup>nd</sup> speaker was Sound Transit's Internal Auditor, David A. Hammond, CPA, CISA. Mr. Hammond spoke about Sound Transit's internal audit organization and how ST Internal Audit uses planning and risk assessment to develop its audit strategy.

David explained that the mission of the internal audit function at Sound Transit is to provide assurance regarding the adequacy of internal controls to the Board of Directors and management through independent and objective audit and advisory services. This is accomplished by:

### Adherence to Professional Standards

David pointed out that Sound Transit Internal Control follows the Government Accountability Office Yellow Book and the Institute of Internal Auditors Red Book. Consequently, David refers to his organization as an "Orange Book" shop. As such, David's department adheres to all the standards, including planning, documentation, supervision, and peer review. Sound Transit receives peer reviews performed by other internal audit organizations, and David reciprocates by performing reviews of other agency's IA work.

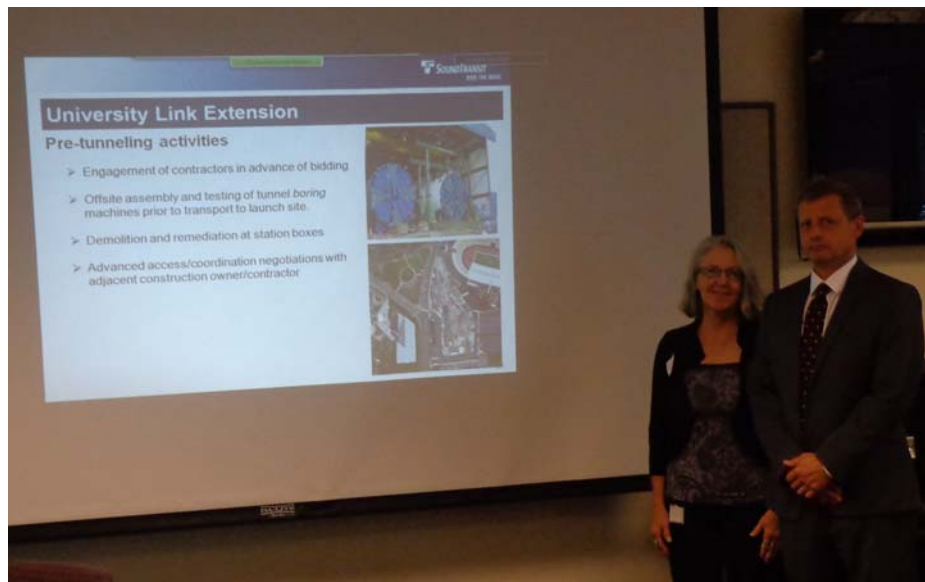
### Establishing and Assuring the Division's Independence

The Internal Audit Function reports to the Chief Executive Officer. There is an organizational dotted line permitting direct reporting to the Audit and Reporting Committee of the Sound Transit Board.

### Preparing Annual Work Plan, Based on an Assessment of Risk

David explained that Sound Transit uses two levels of risk assessment, the annual plan development and the engagement plan development.

The Annual Work Plan is a continuous process. David and his staff maintain and update a list of subject areas. Consideration is given to Inherent Risk (significance, likelihood), Mitigating Factors (owner identified, procedures mature, monitoring), and Audit Committee Interviews. Also taken



Board Member Pat Bohan and Sound Transit Internal Auditor David Hammond reflect on one of the presentation slides.

**EARLY CAREERS PLAN**  
**SEATTLE CHAPTER AGA 2014-2015**

Early Careers Chair: John Kurpierz

Ongoing tasks, as appropriate:

- Work with the National Office to identify Early Career Professionals and Students from new membership applications submitted directly to the National Office.
- Welcome and orient the Early Career Professionals and Students to the Seattle Chapter and Association of Government Accountants (AGA) membership benefits.
- Review the chapter membership list to identify established Seattle Chapter AGA members who are interested in mentoring Early Career Professionals and Students.
- Coordinate a mentor relationship and afford Board member availability to assist with establishing mentor relationships, as appropriate.
- Make presentations at colleges and universities about government careers in financial management, including accounting and auditing, and the benefits of an AGA membership.
- Highlight the membership classifications in the Seattle Chapter newsletter.
- Promote the involvement of Early Career Professionals and Students in Seattle Chapter Leadership roles.
- Coordinate training opportunities and classes for individuals preparing for the Certified Government Financial Manager (CGFM) examination and certification.
- As approved by the Seattle Chapter Board, award one-time scholarships to qualified Early Career Professionals and Students to pay for/reimburse membership dues and/or training assistance to AGA-sponsored events from the proceeds of the National Membership promotion grant.
- Seek opportunities for Early Career Professionals and Students to increase their professional development, including increased CPE and networking opportunities.

## Looking for a reason to join the AGA?

### No time for Long Explanations? How about an Elevator Speech:

AGA is *the* member organization for financial professionals in government. We lead and encourage change that benefits our field and all citizens. Our networking events, professional certification, publications and ongoing education help members build their skills and advance their careers.

### Elaborations

- **Member organization** — AGA is the only association supporting over 15,000 professionals in all levels of government, the private sector, academia, and the nonprofit world. Government members work in, for and with federal, state, local and tribal agencies.
- **Financial professionals** — AGA attracts members from accounting, auditing, budgeting, IT, performance and related disciplines.
- **Lead critical changes/advancements** — We strive for greater accountability and higher standards in financial management. Our leadership efforts include Citizen-Centric Reports, a thought leadership library, maintaining Financial Management Standards, and the promotion of intergovernmental cooperation.
- **Networking** — AGA members connect with peers at 101 local chapters and national events.
- **Professional certification** — Our Certified Government Financial Manager credential, or CGFM, helps ambitious leaders rise through the ranks.
- **Publications** — AGA's proprietary reports, quarterly professional journal, and frequent electronic outreach update members on the latest news and trends affecting their work. Notable publications include Research Series reports and the *Journal*.
- Our **electronic outreach** features the Topics e-newsletter, a growing social media presence, and the AGA website.
- **Education** — We offer hundreds of continuing professional education hours every year through audio conferences, training events, and on-site and online courses. This year, AGA is offering 18 audio conferences, four national training events and a catalog of 50 on-site and online courses.

## On the CGFM Radar: Promotions & Opportunities

+ Spend \$20 and Save \$65, in October only, when you apply for your CGFM candidacy online at: <http://www.agacgfm.org/CGFM-Certification/Preparing-for-Examinations.aspx>.

+ December features \$20 off all exams in December, reducing the cost to \$89 instead of \$109. The promo code is: CGFM\_dec. If you are not familiar with locating one of many testing centers through Pearson Vue in your area, contact Gabrielle Sivage: [gsivage@gmail.com](mailto:gsivage@gmail.com) or (202) 277-8250. She can also help you fill in some grey areas about test scheduling and test policies for retakes -- whether for illness, no-show, or no-pass.

+ Remember there are 12-month, \$69 subscriptions available for each of the three online study guides.

Very importantly, a consortium of AGA Chapters hopes to bring instructor-taught CGFM courses to the region. Non-chapter members are welcome, too. Anyone interested should reach out to voice their interest to help the consortia gauge demand and the cost per student. Give feedback at [gsivage@gmail.com](mailto:gsivage@gmail.com).

### September Speaker David Hammond, Sound Transit Internal Auditor

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into consideration are outside reviews done by independent financial auditors, The Washington State Auditor's Office, and Federal Government grantor and regulatory agencies.

#### Strict Adherence to Standards to Assure the Objectivity of the Audit Function

During the past three years, the Internal Audit function completed 23 initial or follow-up audits. Currently, 16 audits are in various stages for the 2014 - 2015 audit planning year. All of the audit work is accomplished in accordance with standards, including appropriate oversight and preparation of electronic work papers,

In conclusion, David described some of the areas where risks appear highest and therefore justify audit resources and others that don't. In the first category, Information Technology is one area currently under review. A latter case example is lump sum contracts.

## President's Message

the time commitment is just one meeting per month. It would be an answer for you to the What's New question (I joined the board of the AGA).

We are continuing our efforts to reach out to the younger and newer accounting/auditing/accountability professionals. The students from Central Washington University are looking to plan a trip downtown to learn more about government careers. More details to follow and hopefully other schools will be open to similar events.

From a challenges perspective, well it's just that old bugaboo of time. Does not seem like there is enough to go around. And the funding of our colleagues is always a concern. We'd love to hear from you about new positions - or saved positions. Hopefully, others see the value we produce.

Lastly, I'm looking forward to meeting up with you for "Coffee with the President." I've got one accepted invitation and am looking for more. Let's get together and find out "What's New"!

Best,

Ken Smith, Chapter President

### MEMBERS SOUGHT TO FILL CHAIR OPENINGS ON THE SEATTLE CHAPTER BOARD OR FOR PROJECTS

Accountability, Awards, Chapter Recognition, Education\*, Historian, and Meeting Coordinator\*.

\* Pat Bohan currently serves as our Meeting Coordinator, Treasurer, and as Chair for Education. Pat intends to retire soon. Volunteers have come forward to co-chair her Education and Treasurer roles, but a co-coordinator for the Meeting Coordinator position is being sought to assure a smooth transition.

### PHOTOS WANTED

We like to decorate the first page of THE SOUNDER with a local photo each month.

If you have a picture to contribute, please send it to Tim Dobler, DOBLER5@MSN.COM, and we will acknowledge you in the credits on the back page.

## HOW TO IMPROVE YOUR LEADERSHIP AND MANAGEMENT SKILLS

### Effective Strategies for Business Managers

By Meir Liraz

ISBN-13: 9781501470424

Publisher: Liraz Publishing

Publication date: 7/19/2014

Length: 70 Pages

Format: eBook

Price: Free from Amazon.com and BarnesAndNoble.Com

Review by Tim Dobler

I downloaded this book onto my Kindle because of the topic and the price (free). My first inclination to describe this book is to use the phrase "you get what you pay for". However, that summation doesn't acknowledge that there are some good things contained in How To Improve.

The book is mostly short bullet point type paragraphs of wisdom that might look good as motivational posters. It also includes some advice that might come in handy under the right circumstances. The nine chapters cover topics ranging from how to make a good first impression, through how to motivate employees, to how to finance a business.

That's the good news.

On the other hand, How To Improve contains grammatical errors and misspellings which to me indicate that not only did the author, Meir Liraz, publish his own work, he also edited it. A lot of the books I've read lately contain extensive appendices referencing and acknowledging sources contained therein. In his book, Mr. Liraz mentioned a few names of others in the body of the book, but no attribution was provided to a particular published source. For the facts contained, the phrases "some say" or "studies show" is about as good as it gets.

In summation, How To Improve reads like a transcription of a series of motivational speeches. I wouldn't expect a speaker to provide footnotes in person, so I suppose I shouldn't be surprised not to find them in the book. For someone looking for quick ideas on the topics covered, How to Improve is probably worth referencing. At 70 pages covering nine topics, it would be unreasonable to expect a thorough examination of anything.



Seattle AGA Chapter Financial Statements as of September 30, 2014

	7/1/14 to 6/30/2015 <u>Budget</u>	7/1/14 to 6/30/2015 <u>Actual</u>
<b>INFLOWS</b>		
Joint Conferences	\$3,311.00	\$3,311.52
Chapter dues	\$250.00	\$64.00
Interest income	\$20.00	\$5.93
Other Income-Board dinner reimbursed for significant others	\$311.00	\$311.00
National Scholarships-Early Careers		\$145.00
transfer between Accounts		
<i>Luncheon Receipts*</i>	<u>\$1,500.00</u>	<u>\$150.00</u>
<b>TOTAL INFLOWS</b>	<u>\$5,392.00</u>	<u>\$3,987.45</u>
<b>OUTFLOWS</b>		
Board Dinner Costs	\$1,000.00	\$740.51
Speaker Gifts	\$125.00	
"Coffee with the President"	\$50.00	
Emerald Award	\$65.00	
Membership for Webmaster	\$155.00	
<i>Monthly lunch costs*</i>	\$1,500.00	\$101.67
Other Expenses (Non-profit report to Sec. WA State)	\$10.00	
PDC travel costs for President to attend	\$1,500.00	\$228.65
<i>Other Educational Events &amp; Scholarships-Early Career*</i>	\$500.00	
Symposium Raffle Gift	\$65.00	
Shirts for Board members	\$400.00	
<i>Web Conference Trainings*</i>	\$578.00	
Website annual fee	<u>\$250.00</u>	
<b>TOTAL OUTFLOWS</b>	<u>\$6,198.00</u>	<u>\$1,070.83</u>
<i>* = For further Board review</i>		
<b>TOTAL CHANGE</b>	<u>(\$806.00)</u>	<u>\$2,916.62</u>
September 30, 2014 Balances		
<b>ASSETS - CASH</b>		<b>LIABILITIES</b> \$0.00
Checking - .10% interest	\$6,243.55	
Savings - .10% interest	\$2,634.14	
12 month CD - .35% interest	<u>\$4,618.03</u>	
Total Assets	\$13,495.72	
		<b>TOTAL LIABILITIES</b> \$0.00
		<b>MEMBERS' EQUITY</b> \$13,495.72
		<b>Liabilities + Members' Equity</b> \$13,495.72



## The Sounder

WE'RE ON THE WEB:

[WWW.AGASEATTLE.ORG](http://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 2014-2015 Board Members

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### Research Chair

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### Board Member

Ryan Guthrie, U.S. GAO

*This newsletter was produced by board member Tim Dobler with the assistance of Karyn Angulo. Thanks to board members who contributed articles and photos for this issue and to our webmaster, Gabrielle Sivage, for maintaining our chapter website. Masthead Photo "Autumn" was donated by Board Member Diane MaKaeli.*