



The Washington Connection

Association of Government Accountants, Washington, DC Chapter

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The IG and the President's Management Agenda December 6, 2001 Luncheon Meeting



Gaston L. Gianni

Gaston L. Gianni was nominated by President Clinton on December 20, 1995, and confirmed by the U.S. Senate on March 29, 1996, as the first presidentially appointed Inspector General of the Federal Deposit Insurance Corporation (FDIC). He was sworn into office on April 29, 1996. As the Inspector General, he heads an independent organization responsible for the audit, evaluation, and investigation of all FDIC programs and

operations. Mr. Gianni leads and coordinates the Office of Inspector General's efforts; recommends actions to promote economy, efficiency and effectiveness in Corporate programs and operations; and works to prevent and detect fraud and abuse in Corporate activities.

Prior to becoming Inspector General, Mr. Gianni was a Senior Executive at the General Accounting Office (GAO). Mr. Gianni served at GAO for over 31 years. During that time he held a variety of GAO positions with responsibilities for audits and evaluations for a number of other government agencies, including the Department of Justice (law enforcement programs), Department of

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Luncheon Logistics

Monthly Luncheon Meeting

Thursday, December 6, 2001

Grand Hyatt Hotel

1000 H Street, NW (At Metro Center – 11th Street Exit)

11:30 – 12:00 Social

12:00 – 1:10 Luncheon Meeting (1CPE)

Cost:	Members	\$20.00
	Non-members	\$35.00

For reservations, please call the AGA Washington DC Chapter voice mail line at 703.758.40080 and select option 1. If you prefer, you can register by email to mkubaki@hq.nasa.com or you can register at our homepage: www.agadc.org. Please forward your name, agency/company, and telephone number.

Luncheon Meetings

The schedule for the rest of this year's luncheon meetings is:

December 6, 2001

January 10, 2002

February 5, 2002

March 7, 2002

April 23, 2002 (Awards Dinner)

May 2, 2002

Ron Longo, our Programs Director, is in the process of lining up an outstanding group of speakers. So far, our speakers include:

Gaston Gianni

FDIC

Bob O'Neil

National Academy of Public
Administration

Justine Rodriguez

OMB

Keith Rhodes

GAO

Kay Cole James

OPM

Karen Alderman

JFMIP

Susan Irving

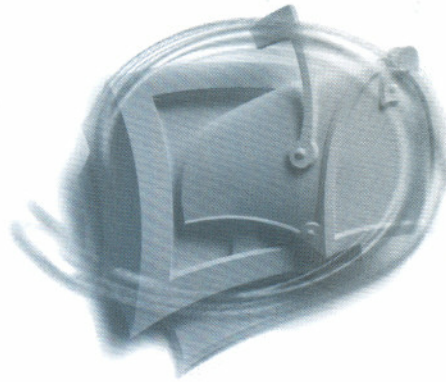
GAO

Bruce Carnes

Department of Energy

Richard Norment

AGA National President



E-mail Mailing List

Would you like to receive e-mail reminders of our monthly meetings and conferences? If so, please go to www.agadc.org to sign up for our mailing list in the Member Services section of the website. •

AGA Relief Effort to Aid Pentagon Families

AGA members have raised \$6,654 as of November 2, 2001 for the AGA Relief Effort. All proceeds will be divided evenly among the families of those AGA members who were killed in the attack on the Pentagon: U.S. Department of Defense employee Patricia E. (Patty) Mickley, CGFM, 41, of Springfield, VA; U.S. Department of the Army employees Diana B. Padro, 55, of Woodbridge, VA, and Janice M. Scott, 46, of Springfield, VA. President Richard Norment has determined that our fund raising efforts will span the rest of our program year, concluding at

the PDC in Atlanta next July. Send your donation to the AGA Relief Effort, AGA National Office, 2208 Mount Vernon Avenue, Alexandria, VA 22301-1314. Checks should be made payable to the AGA Relief Effort. AGA National has also established a secure location on the AGA website where credit card donations will be accepted. Go to the AGA homepage at www.agacgfm.org and click on the patriotic ribbons to make an online donation. Thank you again for your support of the AGA Relief Effort. •

Newsletter Comments or Suggestions?

Do you have any comments or suggestions regarding the newsletter? Do you have an article you'd like to see in print? The deadline for submitting articles to appear in the January, 2002 issue is November 26, 2001. Please send your comments and contributions to the newsletter editor, Diane Wright at diane_wright@ams.com. •



Help Feed the Hungry: SOME Visit

Membership Services and Early Careers are sponsoring a working visit to So Others May Eat on Tuesday Dec. 18. The Association in partnership with the Department of Treasury, FMS will be assisting in serving food and beverages to the needy. Come join in this very worthwhile effort. The SOME facility is located at 71 O ST between North Capital and 1ST NW. Servings will be between 11:30 and 12:45. We will also be provided with an overview of the SOME operations. As pedestrian access to this area is difficult, and public transportation and parking is limited, we suggest the use of car pools for parking on the street or at the side of the building. If you are interested in this activity, please let us know as soon as possible. Send your electronic response or direct any questions to phunter@gt.com (703.847.7651) or karl.boettcher@fms.treas.gov (202.874.3611). •

Budgeting and Accounting For Results

Summary of October Luncheon Speaker Remarks



Justine Rodriguez

At the October 3rd luncheon meeting, Justine Rodriguez, Deputy Associate Director of Economic Policy at OMB,

spoke about the administration's ongoing effort for budgeting and accounting for results. In many ways, her remarks were a continuation on the theme of last month's speaker, Robert O'Neill, president of the National Academy of Public Administration, who spoke about the president's management agenda. Ms. Rodriguez focused on the linkage between performance and federal budgeting and accounting.

Budgeting for Performance

Ms. Rodriguez stated that for a long time people have been discussing the need to transform the federal government into a performance-oriented organization. "What will make the difference now," she said, "is the integration of performance measures into budgeting and accounting, and the infusion of performance orientation into all aspects of government management." Within budgeting, the focus will be on getting results, setting targets, and strengthening the budget structure to align cost with results. Federal government management will be increasingly in the spotlight and will have to be strengthened in the areas of staffing, acquisition, and information technology. Lastly, the reporting function has to be improved to ensure that results are communicated to the public effectively.

With regard to performance-based budgeting, Ms. Rodriguez said that the integration of performance and budgeting has already begun. OMB's Spring Reviews this year focused on identifying which federal programs were effective and which were ineffective.

Because of the President's management agenda, there is growing interest in supporting effective programs and reforming less effective ones. The underlying principle is to allocate resources to support results (that is, to effectively influence outcomes).

In moving further toward performance-based budgeting, Ms. Rodriguez encouraged agencies to involve the planning, budgeting, and program staffs in preparing budget submissions. These submissions should be grounded in previous results by documenting the effectiveness of programs, explaining why some less effective programs are selected for reform and how reforms will succeed.

Ms. Rodriguez noted that in preparation of a performance-based budget, a clear linkage must be made between each outcome and the outputs that have the most effect. To do this, agencies must define the most influential characteristics of each output. Outputs are "the link between inputs and outcomes," she said. Outputs or clusters of outputs can be aligned with staff offices and budget accounts, and outputs can be related to outcomes using analytical equations. Outputs must be presented at full cost in order to determine if efficiency could be improved. Another critical component in the preparation of a performance-based budget is to determine how production or performance targets vary with changes in resource levels.

With regard to strengthening the budget structure, Ms. Rodriguez explained that there are two components. The first is improving the alignment of budget accounts with bureaus or components responsible for achieving specific results, and outputs with program/activity lines. The second is to charge these accounts consistently with the full annual cost of the resources used (this will require government-wide legislation and will start with charging for the full accruing cost

of retirement benefits in the FY2003 Budget. The purpose of aligning the budget accounts is to provide accountability by putting authority and funding in the hands of the line managers, giving them the flexibility to manage their resources as they see fit. A secondary benefit will provide the integration of budgetary, performance, and accounting information by linking each to outputs.

A basic question is how to charge programs for the full annual cost of the resources they use. Ms. Rodriguez stated that this can be done without changing any budgetary concepts by using separate support accounts which would charge program accounts for the resources they use. These accounts may take the form of intra-governmental support revolving funds (like working capital funds), retiree benefit funds, cleanup funds, and capital acquisition funds. She went on to state that, "we are not trying to get amounts as exact as cost accounting, but we would like total outlays and total expenses for a program to be in the same ballpark." She stated that we do a lot of this cost charging now but not on a consistent basis.

The Role of Accounting

On the topic of "accounting", Ms. Rodriguez stated that accounting adds value when it matches expenses with outputs. In business, expenses are matched with revenue earned to calculate profit. In government, expenses should be matched with outputs and with the services provided to the public year by year. This matching principle led to the managerial cost accounting standards in government. She explained that, in business, cost accounting standards are not needed because cost accounting is for internal use and the profit motive provides the pressure for efficiency. In government, however, cost accounting standards are essential in improving efficiency and developing comparable estimates across programs.

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Budgeting and Accounting for Results

Summary of October Luncheon Speaker's Remarks

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A key to providing the public with the results of program and financial operations is agency accountability reports. These reports explain what the agency does, what operating results the agency has achieved, and what the financial results are for a given year. Within the report, the statement of net cost documents a government entity's cost of producing outputs (with responsibility segment data built on cost accounting). Ms. Rodriguez stated that increasingly "many agencies have formally integrated their GPRA performance reports into their accountability reports." She said that because of the integration of operating and financial results, "CFOs and accountants are increasingly providing financial and operating advice to help programs and agencies improve their results."

Information Integration

Ms. Rodriguez said that budgeting and managing for results legislation will soon go to Capitol Hill for consideration. This legislation together with the budget alignment and presentation improvements will ultimately aid in the accounting. The bottom line is that with budget, accounting, and performance information collected for bureaus and programs, we will have the ability to develop integrated information systems geared toward management's needs.

Summary

In closing, Ms. Rodriguez stated that in all of this alignment and integration, there are benefits for both management and accountants. For management, program managers will have more flexibility on the front line serving citizens; managers will have the ability to seek performance-based support services within government and from private providers at the best value; and managers will have better capital programming, better feedback on costs and performance, and better reporting of achievements. For accountants, the analytical information will help them advise program managers on how to run programs more efficiently and effectively, there will be increased readership of accountability reports because they will integrate information, and, finally, government accountants will continue to receive increasing respect. Ms. Rodriguez wrapped up by answering questions from the attendees. •



Mgmt. Agenda

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Labor (employment and training programs), and Department of Transportation (highway programs).

When the Resolution Trust Corporation (RTC) was created in August 1989, the Comptroller General designated Mr. Gianni to head a new group to develop GAO's overall strategy for auditing and evaluating the RTC. In this capacity, Mr. Gianni issued numerous reports on RTC's activities and testified on several occasions before the House and Senate Banking Committees.

Mr. Gianni was born in Steubenville, Ohio, on August 12, 1942, and raised in Weirton, West Virginia. He is a graduate of the former College of Steubenville (now the Franciscan University of Steubenville) in Steubenville, Ohio, where he received a Bachelor of Science in Accounting in 1964. In addition, he completed Pennsylvania State University's Executive Management Program and Harvard University's Kennedy School Executive Fellows Program.

As a presidentially appointed Inspector General, he is a member of the President's Council on Integrity and Efficiency and in May 1999 was selected to serve as Vice Chair of the Council. From November 1997 to May 1999 he served as Chair of the Council's Audit Committee. In December 1998 he was appointed to the Comptroller General's Advisory Council on Government Auditing Standards (Yellow Book). He is a member of the Institute of Management Accountants, Association of Government Accountants, and the Institute of Internal Auditors, where he is a Certified Government Audit Professional (CGAP) and serves as a member on its Government Relations Committee. From 1964 until 1970 he served in the District of Columbia National Guard. He and his wife, Sue, reside in Prince William County, Virginia, and have one son, two daughters, and eight grandchildren. •

Accountants Invade Toy Stores

—NEWS AT 11!



It's that time of year when we get to shop like the kids do: run around a toy store picking out gifts for local children. Just a reminder that the TOYS FOR TOTS drive will be held this year in conjunction with our monthly meeting on December 6th. Please bring a new unwrapped toy when you come. Since this may be the only toy a child might receive this holiday season, we have been asked to provide toys that have a perceived value of \$10 or more.

In selecting a toy, consider that the ages of the children in the program

range from newborn to fifteen years of age - so the range of toys to select from is significant. In accordance with the request of our Marine coordinators, toy guns, knives or other dangerous items cannot be accepted.

If you prefer to donate dollars instead of a toy, cash or a check made payable to the TOYS FOR TOTS FOUNDATION is welcome. We hope to exceed all previous years, so I urge each of you to discuss this program at your office and see if others would like to donate to this worthy cause. You could bring a bag load of toys and a fist full of checks from your office!

The Marine Representatives will be attending our December 6th meeting to accept our donations, so let's all work together to make this a great TOYS FOR TOTS drive. •

President's Message

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3-mile path. You guessed it - we opted for the 1-mile trek. Once again, we dubbed ourselves Joan's Wayward Walkers in support of Joan Killgore. The Wayward Walkers included Joan's family and friends and DC Chapter members Andy Killgore, Bill Anderson, Megan Schindler, Cis Kuennen, and yours truly. Our Regional Vice President, Stu Sklamm, his wife, and MPG President Bill Heyward joined in as well. I am pleased to report that we met our fundraising goal.

Last, but not least, a special thanks to everyone that supported our technology focused education event in late November. The Planning Committee, chaired by Karen Holmcraus, did a great job in putting together a stellar program.

In closing, I want to thank you for your support during the past three months, and I look forward to an even greater year for the DC Chapter in 2002. My best wishes to all for a safe and happy holiday season!! •

Upcoming Chapter Social Events

In response to our membership survey, Membership and Early Careers are scheduling the following events for the coming 2001 - 2002 membership year

December 18, 2001

Serve Lunch at So Others May Eat (SOME)

March 10, 2002

Visit National Zoo

January 10, 2002

Professional Awareness Session

April 2002

Attend Baltimore Orioles Game

February 2002

Mid-week skiing at Liberty in PA

May 2002

Golf Tournament

Additional event information will be provided as the activity draws near and more information becomes available. Some of the activities may be subject to change due to our partnership with the ASMC and the AGA - NOVA, PG and Baltimore chapters. Please check your newsletter, web site or agency liaison for the latest event update. Due to advance notification requirements and space limitations, most activities will have a response cut off date. If you are interested in an activity please let us know as soon as possible. Send your electronic responses or direct any questions to phunter@gt.com (703.847.7651) or Karl.boettcher@fms.treas.gov (202.874.3611). •



AGA Washington DC Chapter, Executive Committee Meeting Minutes

September 25, 2001

The meeting was called to order at 12:05 p.m. at 1990 K Street, NW, Washington, DC 20006. Voting members present were Janet McBride, Pat Clark, Simcha Kuritzky, MelaJo Kubacki, and Phyllis Hunter. Voting members participating via teleconference were Mike Noble, John Webb, and Doug Gandy. Other participants were Karl Boettcher and Diane Wright.

Approval of Minutes

A motion was made by Phyllis Hunter to accept, as written, the minutes of the CEC Board Meeting held on August 2, 2001. Simcha Kuritzky seconded the motion. The motion was approved unanimously.

Financial Update

The President provided the Treasurer's Report. Some reconstruction

work has been done for the financial records of the prior program year in order to obtain an opening cash balance in the primary account. In addition, several bills outstanding from the prior year have been paid. There was no subsidiary ledger or account balance for Accounts Receivable. As payments are received, a receivable is being reinstated and recorded as paid. Existing records indicate that the current Accounts Receivable balance is \$1,700.00. In addition, cash in the primary checking account as of July 1, 2001 is \$13,658.07.

Awards Committee

Doug Gandy identified the members of his Awards Committee as Joe Donlon, Don Haines, Cis Kuennen, and Evelyn Brown. He stated that the National Office is soliciting nomina-

tions for the following awards: Elmer Staats, Andy Barr, and the Distinguished Leadership Award. Recommendations from Board members and others are welcome.

Member Services/Early Career

Phyllis Hunter and Karl Boettcher presented their plan for non-CPE events. The plan will be circulated to the Board Members for comment. If no unfavorable comments are received, the plan will be approved as proposed.

Other Committee Reports

The President provided a brief update on the Membership statistics and the Website status. Diane Wright provided a brief update on the October and November editions of the Chapter Newsletter. •

What You Can Do for Potential CGFMs!

by Wendy Comes, CGFM

As H.S.M. Burns, president of Shell Oil Company said, "A good manager is a man who isn't worried about his own career, but rather the careers of those who work for him."

One way you can help others further their careers is to inform individuals involved in public financial management about AGA's CGFM Certification. Joan Schwartz, AGA's Deputy Executive Director for Certification, and I are looking for individuals willing to sponsor a brown bag lunch or a professional development meeting for their organization's financial or program group. We believe this is an effective way to motivate individuals to strive for the CGFM designation.

As you know, attaining CGFM status signifies commitment to the profession and a desire to stay on the cutting edge of that profession. The CGFM shows that a person is knowledgeable, skilled and experienced. We are asking you to encourage others who are either just entering the financial management field or are at the midpoint in

their careers to consider earning the CGFM credential. We believe your sponsoring an informal meeting will help to promote the value of certification. We would ask you to announce the event within your organization and reserve an appropriate space. We would provide the speaker and materials.

Remember, in a recent survey of 1,400 CFOs, Robert Half International found that "85% of CFOs said they believe that a professional certification...can boost career advancement opportunities." This quote focuses on the importance to the individual of earning a certification. We hope you will join us in encouraging your peers to earn the only certification tailored to government financial management.

We appreciate your support of the CGFM Program and look forward to your participation. Please call Joan Schwartz, Deputy Executive Director of Professional Certification, at 703.684.6931, ext. 311, or e-mail her at jschwartz@agacgfm.org to arrange for a presentation. •

Chapter CGFM Statistics

Did you know that our chapter membership includes 903 CGFMs? This means that almost 60% of our chapter members are CGFMs.

Between 1998, through May, 2001, the following chapter members have taken the CGFM exams to earn the title of CGFM.

Mrs. Sandra Kay Fry, CGFM
Mr. James A. Catalano, Jr., CGFM
Ms. Helen A. Hutchings-Bogart, CGFM
Michael A. Bollinger, CGFM
Mr. David L. Cotton, CGFM
Mr. Sean D. McMahon, CGFM, CPA
Mr. William F. Stefan, CGFM
Ms. Raina Rose Tagle, CGFM
Ms. Mary S. Matiella, CGFM
Ms. Carmen Covey, CGFM
Ms. Rebecca Pennington, CGFM
Ms. Heather B. Cocozza, CGFM
Mr. Hong V. Le, CGFM
Mrs. Bonnie J. McEwan, CGFM
Mrs. Kristina Gonier, CGFM
Mr. Benjamin A. Mehlman, CGFM
Mrs. Polly Law, CGFM
Mr. Robert A. James, CGFM
Ms. Naly Ngan, CGFM
Mr. James Levitan, CGFM
Mr. Stephen P. Mattingly, CGFM
Ms. Tyndall L. Traversa, CGFM
Mr. John W. Hurt, III, CGFM
Ms. Gretchen V. Anderson, CGFM
Ms. Dana M. James, CGFM
Ms. Linda Wilkinson, CGFM
Ms. Alice A. Sabatini, CGFM

Gingrich to Headline Federal Leadership Conference in January

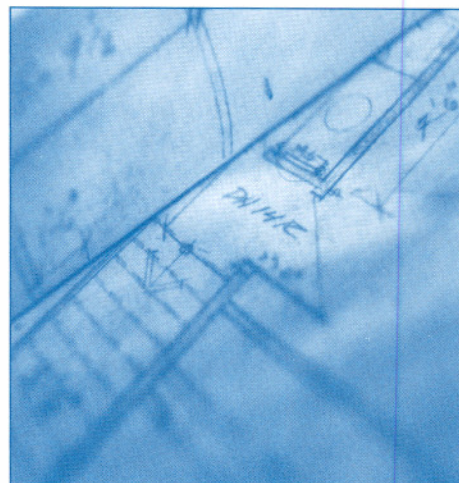
Former Speaker of the U.S. House of Representatives, Newt Gingrich, will speak at AGA's 13th Annual Federal Leadership Conference on Thursday, Jan. 24. "Transforming Leadership" is scheduled for Jan. 24-25 at the International Trade Center-The Ronald Reagan Building, Washington, D.C. The conference offers 16 CPE hours.

To learn more, or to register, go to: www.agacgfm.org/conferences/conf_flc.htm For Sponsorship and Exhibiting Opportunities, please contact Jennifer Root, director of Meetings & Expositions, at 800.AGA.7211, ext. 204, or via e-mail at jroot@agacgfm.org.

AGA Board Supports GASB Financial Reporting Exposure Draft

AGA's Financial Management Standards Board (FMSB) has expressed support of a Governmental Accounting Standards Board (GASB) Exposure Draft, which is intended to provide additional guidance to determine whether an affiliated organization is a component unit of a financial reporting entity. However, FMSB Chairman James M. Williams, CGFM, wrote in a letter to GASB Research Director David R. Bean that improvements could be made to the Exposure Draft, titled The Financial Reporting Entity-Affiliated Organizations-an Amendment of GASB Statement No. 14. AGA's FMSB reviews and responds to proposed standards and regulations of interest to AGA members. The 21-member board has background in accounting and auditing backgrounds in federal, state, and local government, academia and public accounting.

Read the entire document on the Academy section of AGA's website at www.agacgfm.org/academy/fmsb.htm.



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- Financial Statement Analysis for Managerial Decision Making
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Welcome New Chapter Members

By Robert Buchanan

Please help us welcome the following 18 fellow financial managers who joined our chapter since our last newsletter. Look them up at the next luncheon meeting and give them an extra special welcoming personally.

Members	Sponsors	Employers
Nikolaos Apostolides		Department of Labor
C. Jackson Barber	Michelle V. Lewis	Department of Veterans Affairs
Brian Z. Bloodsworth		Arthur Anderson
Claudia L. Bogard, CGFM		DFAS
Thomas Castro-Gutierrez, CPA	Chin Pan T. Chin	Ernst & Young
Sherif R. Ettefa, CPA		KPMG
Rosetta M. Faltz		Dept. of Health and Human Services
Charlene A. Finney		Soza and Company
Edward F. Gekosky, CGFM, CPA, CIA	Roland W. Cyr, CGFM	Environmental Protection Agency
Bronwyn Hughes, CPA		General Accounting Office
Charlotte Yvette Hughes	Erin D. Singshins	Soza and Company
Laverne Hunter	Erin D. Singshins	Soza and Company
James Krott		U.S. Air Force
Elizabeth Olazabal		Soza and Company
Nasreen Rahman	Denise H. Rabun	PricewaterhouseCoopers
Michael E. Reyes		U.S. Army
William J. Topolewski		American Management Systems
Luis E. Velt	Chin Pan T. Chin	Ernst & Young

In response to a Regional Chapter recruitment challenge from AGA National, we sent formal invitations to the November and December luncheon meetings to a number of non-members from our area who have attended previous AGA events such as the PDC. We're competing against the Northern Virginia and Montgomery/Prince Georges chapters to see who can attract the most luncheon attendees and enroll the most new members through this. Please help our chapter grow by encouraging non-member work colleagues and other financial management and program management friends to come to the December luncheon meeting. Just give them a call and pass on a copy of your December newsletter to them. •

OMB Pushes up Deadline for Audits, Reports

by Jason Peckenpough, Government Executive



Agencies will have less time to prepare annual performance reports and financial audits under rules issued by the Office of Management and Budget last month. Audits and performance reports for fiscal 2001 are both due to Congress by Feb. 27, according to a recent OMB bulletin. For fiscal 2002, OMB wants both reports by Feb. 1, 2003. OMB has told agencies they should prepare to submit their reports at even earlier dates in the future. By comparison, fiscal 2000 audits were due to Congress in early March of this year, and most agencies turned in their performance reports later that month. Agencies must prepare and submit annual performance reports under the 1993 Government Performance and Results Act (GPRA). Read the full story at www.govexec.com/dailyfed/1001/102401p2.htm. •

Chapter Member Has Article Published

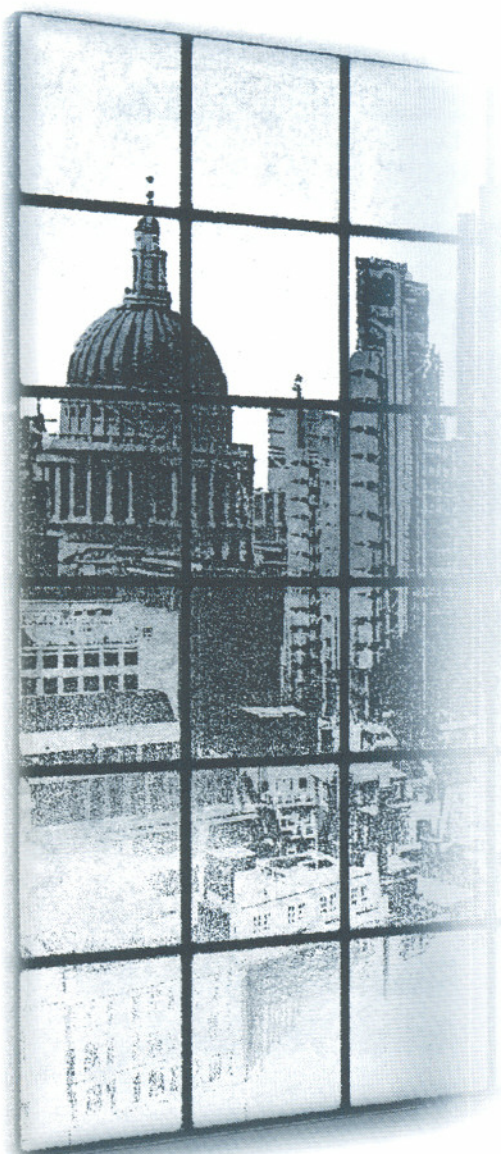
When you receive your Winter 2001 copy of the Journal of Government Financial Management be sure to read the article entitled "Standardized Charts of Accounts Here and Abroad". It was written by one of our chapter members, Simcha Kuritzky. •



Inside the Black Box:

Correcting Reimbursement Activity

by Simcha Kuritzky, CGFM, CPA



The Reimbursable Chain

The SGL has a series of accounts to capture the status of reimbursements. We start with anticipations (which also sets up the spending authority), then record the agreement. At this point, we either collect funds in advance then recognize them as earned (4222 followed by 4252), or we first recognize them as earned with a receivable, and eventually collect on the receivable (4251 followed by 4252). The series of accounts used for the status of reimbursements are:

4210	Anticipated Reimbursements and Other Income
4221	Unfilled Customer Orders Without Advance
4222	Unfilled Customer Orders With Advance
4251	Reimbursements and Other Income Earned - Receivable
4252	Reimbursements and Other Income Earned - Collected

Adjusting Reimbursable Expenditures

The earned accounts, 4251 and 4252, should only be posted with expenditures, or after they occur. As I mentioned in my January, 1999 column, there may be some distance between the incurrence of the expenditure and the recognition that the activity was reimbursable, and so earned revenue may be recorded well after the expenditure. If the expenditure uses the standard, appropriated posting [entries B102 and B134]:

dr.6100	Operating Expense	cr.1010	Fund Balance with Treasury
4610	Allotments - Realized Resources	902	Expended Authority - Paid
3107	Unexpended Appropriations-Used	5700	Expended Appropriations Used

then the adjustment to change this to a reimbursable posting would be [A310 less B134]:

dr.1310	Accounts Receivable	cr.5200	Revenue from Services Provided
4251	Reimbursements Earned - Receivable	4221	Unfilled Customer Orders
5700	Expended Appropriations Used	3107	Unexpended Appropriations - Used

This assumes that the agreement is still open (and without an advance), in account 4221.

Adjusting Reimbursable Agreements

What does an agency do if the amount of agreement recorded does not agree with the amount spent? If we assume that the client agrees the expenditure was proper, then the agreement has been under-recorded. If the fund is still current, any changes to the reimbursable agreement would use the same posting as the original [A304 and A122]:

dr.4221	Unfilled Customer Orders without Adv.	cr.4210	Anticipated Reimbursements
4590	Apportionments - Anticipated Resources	4610	Allotments - Realized Resources

continued on next page

Inside the Black Box Continued

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What happens, though, if this correction is made in the subsequent fiscal year (and the authority has expired)? Again, we are assuming that the only error is one of timing, and that the expenditure took place when the authority was current. Since the available balances from unfilled customer orders are withdrawn at the end of the year [F109], as are anticipations [F112], there is no balance in 4210 or 4590 to be reduced, and the expenditure correction has just created a balance in 4221 (if the expenditure is positive, then the balance is an unnatural credit). To correct this, we must retroactively recognize that the authority had existed and is now expired (that is, use reimbursable authority to replenish the appropriated authority that had erroneously been used), so the posting for the amount of change in the reimbursable agreement is:

dr. 4221 Unfilled Customer Orders w/o Adv.

cr. 4650 Expired Authority

Conclusion

A major difference between reimbursements and appropriations is that reimbursable authority disappears when the fund expires, while appropriated authority stays around (albeit in a limited form) for another five years. If a correction to prior-year expenditures is necessary in an appropriated fund, one simply records a spending adjustment. For a reimbursable fund, there is no available balance to adjust, so any change in expenditures has to be matched by a change in reimbursable agreements, to keep the available balance zero. •

Comments, suggestions, and critiques are welcome. Send them to Simcha_Kuritzky@ams.com, and not to the AGA.

AGA Annual Report Available

AGA is pleased to present its 2000-2001 Annual Report, detailing the accomplishments and highlights of the recently completed program year. Download a copy from the home page of AGA's website at www.agacgm.org. •



Innovations in American Government Awards

The Institute for Government Innovation at the John F. Kennedy School of Government at Harvard University announced the 2002 Innovations in American Government Awards. To request an application or more information, go to www.innovations.harvard.edu or call 800.722.0074. •



Job Announcements

Job type	Series	Agency	Announcement No.	Close Date	Contact
Auditor	FS-0511-04/07	Agency for Int'l. Devl.	FS-01-01	12/31/01	202.712.4189
Accountant	GS-0510-05/	HHS, Program Spt. Ctr.	PSC-01-03	12/31/01	301.443.3201
Auditor	GS0511-05/09	Labor, Office of IG	OIG-02-086	12/31/01	202.693.5191
Accountant	GS-0510-05/12	Interior, BIA	ASF-01-01	12/31/01	405.247.6673
Financial Auditor	GS0511-07/11	General Acctg. Offc.	GAO-400-FMA-2002-1	12/21/01	800.967.5426
Accountant	GS-0510-07/12	HHS, Program Spt. Ctr.	PSC-01-079	12/31/01	301.443.3201
Accountant	GS-0510-09/	HHS, Program Spt. Ctr.	PSC-01-005	12/31/01	301.443.3201
Financial Analyst	GS-0501-09/	HHS, OFC Sec HHS	OS-01-068	12/31/01	301.443.3201

If your organization would like to list job announcements in the newsletter, please send announcement information to diane_wright@ams.com.

Recruit New AGA Members and Win

AGA's Member-Get-A-Member Campaign is in full swing. Every time you recruit a new member, the odds increase that you could win big. There are quarterly drawings for terrific prizes, including an overnight duffel bag, a \$100 Hertz rental car voucher or even two round-trip airline tickets to anywhere in the U.S.. Don't let your colleagues be left unaware of all that AGA can do for them. Help a friend

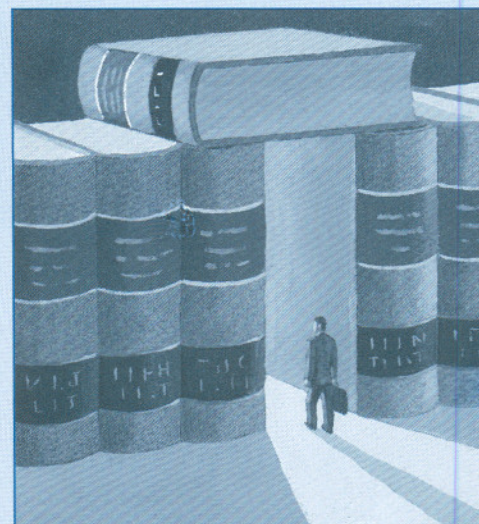


or business associate improve their professional skills and benefit through increased access to the latest technical information and new business contacts. Become eligible by making sure new members you recruit return their completed applications no later than April 31, 2002. Remember to print your name on the Sponsor's Line section of the application to receive sponsor credit. Questions? Call 800.AGA.7211. •

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