

THE WASHINGTON CONNECTION



Association of Government Accountants, Washington DC Chapter Newsletter

May 2016



President's Message

The month of April was filled with opportunities for learning and collaboration. Notably, during our luncheon meeting, Sheila Conley, Deputy Assistant Secretary for Finance and Deputy Chief Financial Officer at the U.S. Department of Health and Human Services (HHS) discussed HHS' groundbreaking work to implement enterprise risk management. To provide some context for the significance of this effort, consider that HHS is the largest federal agency with budgetary resources exceeding \$1.5 trillion. Also, our Early Careers committee organized a free tour of the Bureau of Engraving and Printing. Over 30 individuals participated in the event and observed the production of millions of dollars.

In addition, our Community Services committee organized an event to support HART, an animal rescue/support group. HART works with local veterinarians, foster homes, kennels, and trainers to provide temporary housing, medical care and, where appropriate, training for animals until they can find a new home. We will continue to provide CPE and networking opportunities during our May luncheon and we will provide free CGFM training to 30 individuals. Thanks to Kearney and Company for making their office space available to support the CGFM initiative. Also, as part of our efforts to support the professional development of our members, we are conducting a *Speed Mentoring* training session on August 3, 2016 and a *Lunch and Learn* training Session on August 17.

The Chapter will provide additional networking opportunities during our membership focused event, the Annual Virginia Winery Tour. Participants will visit three vineyards in Northern Virginia - 8 Chains, 868, and The Barns.

Visit our website for information on the date, times, topic or theme, and location for all our events and opportunities to grow professionally.

As we approach the end of another outstanding program year, I want to thank our Chapter Board members and sponsors who ensured the successful achievement of all our events and activities. Our membership exceeds 2,000 and we have provided over 30 hours of CPE and numerous networking opportunities to help us continue advancing government accountability.

Sincerely,

Ross Simms, Chapter President

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- DC Chapter wins two national awards!!!
- AGA Young Professional Development Training Scholarship Winner— Mr. Jacob Powell
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Upcoming Events

May Luncheon

Mr. Jay Hoffman
Wednesday, May 18
11:00-1:30
The Hamilton 600 14th
Street NW

Audio Conference: Government Financial Management

Wednesday June 1
2:00-4:00
Smithsonian Castle,
1000 Jefferson Drive,
SW



President Ross Simms presenting Ms. Sheila Conley a gift

AGA Luncheon Series

The AGA April Luncheon at Clyde's was a huge success with Ms. Sheila Conley, Deputy Assistant Secretary for Finance and Deputy CFO, U.S. Department of Health and Human Services as our speaker who discussed the topic of Enterprise Risk Management.

The Meetings Committee is pleased to announce that Mr. Jay Hoffman, CFO of the US Consumer Product Safety Commission, will be our speaker for the May luncheon. We continue to have sellout crowds month after month! That is a testament to the excellent line up of speakers that we have this year, along with the great teamwork from all of our Chapter members. Also, make sure you get to the Hamilton on time to check in and enjoy the 3-course meal that is offered.

We hope to see you in attendance on May 18th at the Hamilton. After that, we will pick back up on September 15th at the Hamilton. We hope you have a fun and relaxing summer!

Thanks so much!
Rebecca Jaramillo
Meetings Committee

May Luncheon Speaker

Mr. Jay Hoffman, Chief Financial Officer, Consumer Product Safety Commission

Since 2011, Jay Hoffman has served as the Chief Financial Officer and principal adviser to the Chairman on all aspect of financial management for the Consumer Product Safety Commission. As CFO, Jay oversees all budget, planning, performance management, financial reporting, accounting, travel, and procurement activities for the agency.

Prior to joining the Commission, Jay served 6 years as the Director of Program Analysis and Evaluation at the Department of Energy and was the agency's first Performance Improvement Officer. While at Energy, Jay was responsible for advising the Energy Secretary on the benefit potential of the Department's budget portfolio and developing alternative options. He also played a central role in the operational implementation

of the \$33 billion Recovery Act appropriation Energy received in 2009 and he served as a member of the loan guarantee credit committee that helped evaluate more than \$30 billion in government loan guarantees for clean energy projects.

Jay spent seven years at the Department of Treasury serving in a number of roles, including Special Assistant to the United States Mint Director where he helped implement the fifty state quarter and dollar coin programs.

Jay earned a master's degree in public administration from Indiana University and a bachelor's degree in economics from the University of Nebraska. He lives in Virginia with his wife and 2 daughters.



A Day in Photos: AGA DC with the Homeless Animals Rescue Team (HART) April 30, 2016



Twenty-one AGA DC volunteers spent Saturday afternoon on April 30 handling adoptable dogs for the Homeless Animals Rescue Team (HART) at an adoption event at Petco Chantilly/Greenbriar. HART's adoption events, which are held every Saturday, give potential adoptive families the opportunity to meet adoptable dogs available through HART. These events are also very special for the homeless dogs, who are boarded in kennels during the week and are very much in need of individual attention and love. Many thanks to our wonderful AGA DC volunteers!



Karl Boettcher



Natan Aberu & Mahelet Gennene



Emily Law &
Kelsey Powell



Christine Nelepka



Matt & Lindsey
Brannigan



Tammi Strait



Bill Dolan



Lisa Fiely with HART's sweet beagle Templin



Sharon Meng



Alicia Rich



Eileen Parlow checks in the volunteers



Bill Dolan



Hally Dolan



Megan O'Donnell



Monica Obispado



Jackie Heming



Elena Yearly, Emily Law & Kelsey Powell



Catalina Kerr

Newsmaker: Habitat for Humanity April 2016



This was year 10 that members of the capital region have worked with habitat for humanity in New Orleans. The original organizers include past National President Jeff Hart (Denver Chapter), Karl Boettcher (DC), and Doreen Shute (MPG Chapter) and the capital region has continuously supported this lasting event since inception. This year past National Presidents Virginia Robinson and Evelyn Brown (DC), Doreen Shute, past Senior Vice President and Kevin Shers (NOVA Chapter) and past Senior Vice President Peggy Javery (NOLA) as well as Jeff Hart and wife Roxie Hart from Denver Chapter, national finance center employees and local NOLA Chapter members joined us this year. We had 19 volunteers who worked on house foundation, painting, installing of floors and as depicted in one of the photos we were well down in the trenches. While a lot of work has been done, a lot remains and the people of New Orleans continue to be grateful for our help and the outstanding continuing support of the capital region.



DC Chapter earns National Accolades!!!

Each year, the AGA recognizes financial management professionals and chapters whose visionary leadership, outstanding accomplishments and exceptional service have significantly advanced our profession, strengthened our Association and improved our community. This year, on behalf of the AGA National Awards Committee, members of the Washington DC Chapter have been selected as recipients of two Professional Development and Training (PDT) awards of distinction. The recipients of the awards are:

- **Wendy Morton-Huddleston and James Gallagher for the 2016 Chapter Accountability and Transparency Award**
- **Jennifer Nielsen and Christine Bang for the 2016 Chapter Community Service Award**



Congratulations to the officers, directors, committee chairs, volunteers and chapter members for making this happen. The awards will be celebrated during the 65th Annual PDT in Anaheim, CA in July.

Thank you all to our commitment to excellence and to your profession.

Sincerely,

~ Ross Simms

AGA Young Professionals Professional Development Training (PDT) Scholarship



Congratulations to Chapter member **Jacob Powell**, CPA, CFE, from U.S. Capitol Police – Office of Inspector General!

Jacob is a winner of the 2016 AGA Young Professionals PDT Scholarship.

The Young Professionals Focus Group (YPPFG) annually selects five young professionals to attend AGA's Professional Development Training (PDT) in July. The participants in this program will act as ambassadors for attendees and assist at the AGA exhibit hall booth and other activities throughout the training event.

AGA Professional Development Training (PDT) Young Professionals Discount!

In addition to the scholarship opportunity, this year the national AGA office also offered 50 Early Career members the chance to go to the annual Professional Development Training at a 50% discount.

Chapter member **Johnny Amin**, CGFM, CPA, CFE, from the Special Inspector General for Afghanistan Reconstruction (SIGAR) took advantage of the opportunity offered and was selected to attend the 2016 PDT.

Mentorship Program

BACK BY POPULAR DEMAND...

AGA DC Chapter is looking for dedicated professionals to help support our Chapter and give back to others by sharing their experiences. We are in the process of recruiting mentors and mentees to participate in our Mentorship Program. The Program supports professional development and provides a venue for connecting professionals in the government financial management community.

The program is designed to:

- create an environment that facilitates continuous dialogue regarding career development and advancement with industry colleagues and
- build sustainable relationships while focusing on targeted developmental activities.

Program Structure

Speed Mentoring: Pairing Up

Peer to Peer Mentoring

Group Mentoring/Leadership Activities

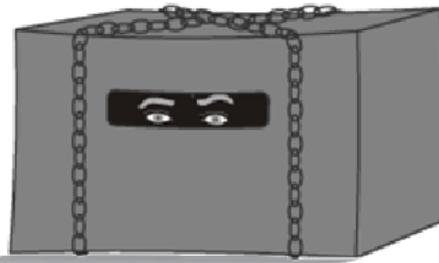
Close Out

If you are a Chapter member and are interested in forming a mentoring partnership, please sign up by contacting Sharnell Montgomery at Montgomery.Sharnel@dol.gov and Boris Lyubovitsky at blyubovitsky@gmail.com.

Mentoring is for Everyone!!!

Inside the Black Box

by Simcha Kuritzky, CGFM CPA



Unavailable Funds

Background—One of the main differences between governmental accounting and private-sector accounting is that an agency needs permission to use its funds, whereas the management of a company has broad discretionary powers. In the Standard General Ledger (SGL), there are a number of specialized budgetary accounts to handle different scenarios where funding is not available.

Appropriation Flow—If the standard appropriation process is a river, then there are many side pools to capture and (temporarily) hold funds. The first step is the appropriation recorded by entry A104 and its status account is 445000 Unapportioned Authority, which is unavailable until the Office of Management and Budget (OMB) apportions it. However, if the President proposes a rescission (entry A137), then the funds are moved to 442000 Unapportioned Authority – Pending Rescission (the actual rescission uses entry A136). If Congress appropriates the funds but OMB decides not to apportion it, then entry A126 moves the funding to 443000 Unapportioned Authority - OMB Deferral. If the funds are subsequently apportioned, then entry A126 is reversed to move the 443000 balance back to 445000. Balances in 445000 become available by entry A116 moving them to 451000 Apportionments, though the agency has to allot the funds (entry A120) to move them to 461000 Allotments – Realized Resources and from there they can be spent.

Congress can also temporarily reduce the funding in certain non-appropriated funds, although they may not get around to increasing them again. Normally the available balance is transferred to 438200 Temporary Reduction – New Budget Authority or 438300 Temporary Reduction – Prior-Year Balances (entry A135 or A418). If the funding is restored, the entry is reversed. Other-wise, at the end of the year the balance is reclassified to account 438400 Temporary Reduction/ Cancellation Returned by Appropriation (entry F360, but reversed the next year using entry A108), 416800 Allocations of Realized Authority Reclassified – Authority to be Transferred from Invested Balances – Temporary Reduction (entry F362), or 412300 Amounts Appropriated from Specific Invested TAFS Reclassified – Receivable – Temporary Reduction (entry F366), depending on the type of authority reduced.

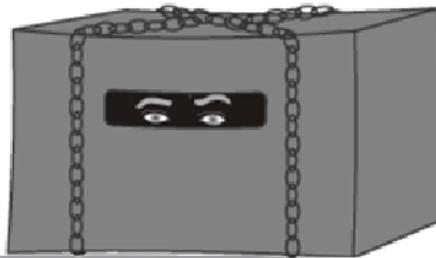
While accounts 438700 Temporary Reduction of Appropriation from Unavailable Receipts, New Budget Authority and 438800 Temporary Reduction of Appropriation from Unavailable Receipts, Prior-Year Balances use the term “Temporary Reduction”, the entry to record them (A189) includes a reduction to fund balances and a transfer out, so they act more like a negative resource than an unavailable account. They also close to 420100 Total Actual Resources – Collected (entry F302), which no other unavailable account does.

Anticipated Flow—Anticipated funding can include those for collections in account 406000 or 407000 (A140), appropriations in 412000 (entry A102), transfers from invested balances in 416500 (A402), transfers from other funds in 416000 or 418000 (A468), reimbursements in 421000 (A702), transfers from a trust fund in 421500 (A114), and recoveries in 431000 (A138). If these anticipations are apportioned, then the funding is moved to account 459000 Apportionments – Anticipated Resources – Programs Subject to Apportionment using entry A118; and if not, it is moved to 469000 Anticipated Resources – Programs Exempt from Apportionment using entry A119. They cannot be spent until realized (entry A122 for apportioned and A123 for exempt from apportionment).

Sometimes the anticipated authority is simply unavailable from the start and is posted to 463000 Funds Not Available for Commitment/Obligation. The SGL lists this as an option for recoveries (A138) and collections (A140).

Inside the Black Box

by Simcha Kuritzky, CGFM CPA



Unavailable on Collection—Some trust or special funds have the authority to use offsetting receipts once collected, but others do not, or they may collect more than they have authority to use. In these cases, account 439400 Receipts Unavailable for Obligation Upon Collection holds the unavailable amount (entries A188, A195, A250, and C114). If the authority is subsequently granted, then the balance moves to available (entries A108 or A190). If the balance is transferred to another fund, then 439400 is debited and the offsetting credit goes to account 412900 Amounts Appropriated from Specific Invested TAFS – Transfers-Out (entry A530, the offsetting entry in the receiving fund is A531), though the transfer can be initially set up as a payable in account 412700 Amounts Appropriated from Specific Invested TAFS – Payable (entry A520). Otherwise, account 439400 remains open indefinitely. Account 439400 can be used to record amounts invested in bonds. The purchase of bonds and interest is recorded with entries B126 and B129, while interest amortization is recorded with entry E113, and the redemption or sale is recorded with entries C124, C602, C604, C606, C608, C618, C622, C624, C750, C752, and C754.

Temporary Preclusion—The last type of unavailable amounts are those temporarily precluded from obligation. There are five different accounts that can be used to record the reduction in available funds, each with their own entry to record it: 439500 Authority Unavailable for Obligation Pursuant to Public Law – Temporary (entry A128), 439600 Special and Trust Fund Refunds and Recoveries Temporarily Unavailable – Receipts Unavailable for Obligation Upon Collection (A130), 439700 Receipts and Appropriations Temporarily Precluded from Obligation (A127), 439800 Offsetting Collections Temporarily Precluded from Obligation (A129), and 439900 Special and Trust Fund Refunds and Recoveries Temporarily Unavailable – Receipts and Appropriations Temporarily Precluded from Obligation (A139). In all these entries, 445000 or 462000 is reduced (debited) and the unavailable account credited. Accounts 439700 and 439800 can be used to purchase bonds (B126 or B129). For the other three accounts, a reversal is recorded if the funds are subsequently made available. For 439700 and 439800, a new entry is posted instead using a new SGL account: 415700 Authority Made Available from Receipt or Appropriation Balances Previously Precluded from Obligation, or 415800 Authority Made Available from Offsetting Collection Balances Previously Precluded from Obligation (see chart below). These new increase accounts are then closed against the original reduction account during annual close (entries F132, F134, F316, F318, F354, and F356).

Reduction	Reduction	Increase	Increase	Closing Entry(ies)
439500	A128			F126 into 445000
439600	A130			F359 into 439400
439700	A127	415700	A192	remains open
439800	A129	415800	A194	remains open
439900	A139			F358 into 439700

Conclusion—Before there was a SGL, there were complicated budget reports explaining how funding was provided and either that it was available or why it was unavailable. The complicated reports have not gone away, so the SGL Board has created several different accounts in order capture the needed information in the journal. I have described only the more common and better documented unavailable accounts. Only use these after consulting with Treasury or OMB.

Comments and critiques, as well as specific questions or suggestions for future topics, are always welcome. Send them to Simcha.Kuritzky@CGI.com, and not to the AGA.

Contact Us

Please contact us if you have any questions or would like additional information on the DC Chapter of Association of Government Accountants.

If you have any information that you would like to see in next month's newsletter, please contact Michael Loos and/or Gary Wong at:

Michael.Loos@us.gt.com

and/or

Gary.Wong@us.gt.com

Thank you!

Washington AGA Chapter

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