



CENTRAL ARKANSAS CHAPTER

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About AGA

Founded in 1950, AGA is a professional membership organization dedicated to the advancement of government financial management. AGA supports the career development of financial professionals working in all levels of government. The Association is known for the value of its high-quality, cost-effective training and networking events. AGA has been instrumental in assisting the development of accounting and auditing standards and in generating new concepts for the effective organization and administration of financial management functions. AGA's Code of Ethics reflects its commitment to foster the highest professional standards and behavior of our members and staff. In July 2011 our National Board of Directors approved an updated strategic plan that better reflects the AGA of today. Each activity or program AGA conducts reflects one or more of the following goals:

***Member Value ***Empowerment
***Certification ***Thought Leadership
***Collaboration

Who We Are

AGA's 15,362 members are employed by state and local government (40%), the federal government (31%), and the private sector (17%). The remainder is comprised of students, retirees, and academics. The membership encompasses most financial management disciplines such as accounting, financial reporting, auditing, budgeting, contract management, grants management, program management and information systems. AGA members range from elected officials and senior executives to entry-level employees. One of AGA's key programs is the Certified Government Financial Manager (CGFM). A professional certification awarded by AGA, CGFM recognizes the unique skills and special knowledge required of today's government financial managers. It covers governmental accounting, auditing, financial reporting, internal controls and budgeting at the federal, state and local levels.

Current Strategic Goals

Member Value—AGA maximizes member value through an effective and efficient organization. Provides members with quality programs, products and services: Member Services, Publications, including our quarterly, Journal of Government Financial Management, weekly newsletters, and a comprehensive website. The Financial Management Standards Board responds to 100% of the documents issued by government financial management standard setters with comments and recommendations.

Empowerment—AGA educates and empowers professionals to advance government accountability. Provide comprehensive education to meet the changing needs of the government accountability profession. This is accomplished through national training, conferences, and virtual events.

Certification—AGA enhances government accountability by advancing the CGFM as the preferred professional designation.

Thought Leadership—AGA is the thought leader and catalyst for change. Promote and advance accountability in government through AGA's Citizen-Centric Reporting Program, Certificate of Excellence in Accountability Reporting (CEAR) Program, and Certificate of Achievement in Service Efforts and Accomplishments (SEA) Program. AGA also conducts research in the area of government performance and financial management with a total of 29 reports since March 2005.

Collaboration—AGA provides forums for collaborating among diverse disciplines, sectors and levels of government. The Partnership for Intergovernmental Management and Accountability opens the lines of communication among governments with the goal of improving performance and accountability. This year's projects range from white papers to online products for government use.

What's Next?

Certified Government Financial Manager

The CGFM program remains one of AGA's top priorities. While the program is growing, AGA needs to continue its efforts to expand the public's knowledge of this designation and advance the official recognition of the CGFM certification at all levels of government.

Citizen-Centric Reporting

This initiative assists in making governments mindful that the obligation to the people for their actions and use of resources is a fundamental tenet of good government and democracy. The challenge remains to encourage more entities—from a large federal agency to the smallest water district—to produce a citizen-centric report.

Education and Training

Budget concerns have prompted governments to reduce their travel and training costs to record lows. The informal conversations at conferences and face-to-face meetings garner knowledge and insight that many times cannot be conveyed in a virtual presentation. AGA must continue to provide high-quality, low-cost training opportunities.

Intergovernmental Partnership

Pressure is mounting to curb spending and reduce budgets, which may have a profound impact on governments. In coping with this change, government officials can be overtaken by financial events, or they can work together in tackling the tough decisions they will face. AGA must continue its leadership role of convening these groups to share information and solve challenges.

Membership

As members continue to retire, it becomes more critical for AGA to enhance and develop programs and services to attract young professionals to the organization. AGA must also provide chapters with assistance to recruit and support new members at the local level.

For more information, or to view this report in its entirety, please visit http://www.agacgfm.org/AGA/Documents/About/MCR_2012.pdf

Steps to Obtaining your CGFM Certification

Step 1—Read AGA's [Code of Ethics](#)

Step 2—Apply for the CGFM Program

Step 3—Submit Required Degree Documentation

Step 4—Receive an Eligibility Letter

Step 5—Submit a Work Verification Form

Step 6—Prepare for the CGFM Examinations

Step 7—Schedule the CGFM Examinations

Step 8—Take the CGFM Examinations

Step 9—Receive CGFM Award Letter

Step 10—Receive and Display Your CGFM Certificate

See <http://www.agacgfm.org/CGFM-Certification/Certification-Process.aspx> for more information.



Upcoming CGFM Training

February 6 – February 13, 2013

Sign-in begins: 8:00am

Program: 8:30am-5:00 pm

Jim Thorpe Building

OPM Training Center

2501 N. Lincoln Boulevard

Oklahoma City, OK 73105

FEE: \$1,150 Early Bird Discount if payment is received by November 5, 2012;
\$1,500 if payment is received after November 5, 2012 and all payments must be
received by December 28, 2012.

Recommended CPE credit: 48 hours

This six day course is being offered Wednesday through Friday, February 6-8 and Monday through Wednesday, February 11-13. The fee includes study materials and does not cover meal costs. Candidates are required to make their own travel and lodging arrangements. Seating is limited. For more information contact Riley Shaul at riley.shaul@osf.ok.gov or agaokc@cox.net.

CGFM is a Certified Government Financial Manager. Ask your chapter president or one of our chapter's many CGFM's to learn more.

A Look Back at 2012

Regular monthly meeting were held in the River Conference Room at Main Street Mall. Meetings were held on the 3rd Monday of the month in September, October, November, March, April, and May. Meetings were held on the 3rd Tuesday in the months of January and February.

These Community Service projects were performed by the membership.

- 1. Christmas presents were purchases for two children in the foster program sponsored by the Arkansas Department of Human Services*
- 2. Food was collected at meetings and chapter events and given to the Arkansas Food Bank*
- 3. Many members participated in the annual Susan G Komen Race for the Cure*
- 4. Members volunteered at Riverfest, they worked in "River Banks" dealing with "River Bucks"*

AGA members spoke about the organization and the CGFM at Hendrix Student Education Night and at the University of Arkansas at Little Rock in a Government Accounting class.

A Holiday Party was held at Reno's Argenta Café on December 8th. Around 30 AGA members and guests attended the party along with 4 UALR students. The highlight of the party was the playing of 3 Minute to Win-It games. While the team headed by Richard Drilling tried hard, the team headed by Don Bellcock was the winner because Don was the only one to be able to get his plastic cup to land on the coke bottle in the allotted time. Good food + Fun entertainment = A great time for everyone!

The 2011 Fall Conference was held Thursday and Friday October 27 & 28 at the U of A Cooperative Extension Institute. Topics were GASB Update, Yellow Book Update, Ethics, Fraud & Embezzlement, and Risk Assessment. The 2012 Spring Conference was held Thursday May 24 at the U of A Cooperative Extension Institute. Topics were Fraud, Risk Assessment, and Governmental Accounting.

The annual Awards Banquet was held at Cregeen's Irish Pub on Thursday June 7th. All the 2011-12 Board Members received Certificates of Appreciation. The following people received awards from the Central Arkansas Chapter:

*Kyleen Whitehead-Prewett
Financial Manager of the Year*

*Chandria Jones
President's Award*

UPCOMING CHAPTER EVENTS

Community Service Event

The National Association of Government Accountants is hosting a community service event. Local chapters will donate items to be raffled at the upcoming Professional Development Conference in San Diego, California. Half the proceeds from the raffle will be donated to charity. The Central Arkansas Chapter of AGA is donating a gift basket, filled with locally crafted items. If anyone would like to donate items to the basket, please contact Lateisha Moore at 501-682-3750 or Lateisha.moore@arkansas.gov by July 25, 2012.

Monthly Meetings

Regular monthly meetings will resume September 17, 2012, 12:00 noon, at the Natural Resource Commission's River Room. Gerald Plafcan will be the guest speaker.

Fall Seminar

The tentative dates and topics for our FY 2013 Fall Seminar are as follows:

October 18-19, 2012, Location TBA

State of Arkansas Transparency Act	2 hours
State of Arkansas Retirement Plans (APERS/ATRS)	2 hours
Governmental Accounting (Yellow Book)	4 hours
Ethics	2 hours
Fraud	2 hours
Risk Assessment	4 hours

Holiday Party

The FY 2013 Holiday Party will be held December 10, 2012, at Loca Luna.

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EXECUTIVE COMMITTEE MEETING MINUTES

Meeting Date: June 4, 2012
Meeting Time: 12:00 noon
Meeting Location:
Central Arkansas Water, 2nd Floor
Conference Room

Members Present:

Jeff Mascagni
Chandria Jones
Richard Drilling
Tyler Cain
Colleen Vollman
Will Cottrell
Brenda Jackson
DeeVee Pearson

The meeting was opened by Jeff Mascagni, immediately following lunch.

Meeting Minutes

Chandria Jones distributed the minutes for the May 2012 board meeting to each board member. The minutes were reviewed, and no corrections were made. Richard Drilling made a motion to accept the minutes, and Tyler Cain seconded the motion. The minutes were accepted as presented.

Treasurer's Report

Martha Bennett e-mailed a "Budget to Actual" report, detailing all income and expenditures to date, to all Board members prior to the meeting. The total available in cash and CD's is \$24,548.21 as of May 31, 2012. It was noted that the Gingerbread Tree gifts and promotional supplies are being included on the line item for the

awards banquet expenses. Jeff Mascagni will e-mail Martha and ask her to revise the report before it is accepted.

Awards Banquet

The restaurant needs a headcount by Wednesday. As of today, two people have paid for the banquet. Tyler Cain, Will Cottrell, Jeff Mascagni, and Richard Drilling all stated that they will be in attendance. Jeff will contact all nominees for the Financial Manager of the Year award to let them know who the winner is.

Spring Conference Recap

Per Will Cottrell, everyone appeared to enjoy the speakers. He received a lot of positive feedback. He will make sure that we have evaluation forms at the next conference. He would also like to have board members volunteer to be over the various aspects of the conference (sign-in, food, etc.), so that the bulk of the load isn't on one or two people. We made approximately \$1700 profit on the conference.

CGFM

Per Brenda Jackson, there will be a CGFM course offered at the PDC, and the exam will be given. Jeff will e-mail all members the brochure about the Oklahoma City Chapter's CGFM study courses. The cost is approximately \$1000, and the courses last one week.

Membership/Early Career

DeeVee Pearson has contacted everyone that she could in order to ask the members who had not renewed to do so. Jeff asked DeeVee to get him specific numbers on membership so that he can mention it at the banquet.

Website

Per Colleen Vollman, the website has been revised. Everyone was in agreement that the changes look nice.

Historian

Richard will e-mail all board members a draft of the Historian's Report so that we can see if there are any revisions that should be made.

Other

Brenda Jackson asked why all board members weren't notified about the SLM. She stated that in the past it was open to everyone. Jeff will look into it.

The meeting was adjourned at 1:10 p.m.

AGA Central Arkansas Chapter June 30, 2012			
	Budget	Actual	Difference
INCOME			
Chapter Dues	1,070.00	2,581.05	1,511.05
Chapter Recognition Award	150.00	130.00	(20.00)
Early Career/Recruitment Scholarship	-	436.00	436.00
Education Seminar Receipts	9,580.00	9,579.12	(0.88)
Christmas Party Receipts	100.00	75.00	(25.00)
Awards Banquet Receipts	300.00	130.00	(170.00)
Interest Income	120.00	104.70	(15.30)
Miscellaneous Income	200.00	-	(200.00)
Total Budgeted Income	11,520.00	13,035.87	1,515.87
EXPENSES			
Audit Fees	1,000.00	1,100.00	100.00
Awards Banquet Expenses	500.00	236.57	(263.43)
Christmas Party Expenses	300.00	632.61	332.61
Charity Events	-	159.84	159.84
Education Seminar Expenses	5,000.00	5,424.94	424.94
Executive Committee Expenses	400.00	960.45	560.45
Audio Conference Expenses	1,150.00	565.42	(584.58)
Post Office Box Rental--1 year	70.00	70.00	-
Postage	200.00	11.00	(189.00)
Scholarships/Memorials	1,000.00	500.00	(500.00)
Speaker Gifts	150.00	343.16	193.16
Travel--Officers' Training (PDC)	1,000.00	870.28	(129.72)
Website	150.00	150.00	-
Year End Awards	500.00	252.89	(247.11)
Miscellaneous Expenses	100.00	19.60	(80.40)
Total Budgeted Expenses	11,520.00	11,296.76	(223.24)
Net Income	-	1,739.11	1,739.11
Bank Account Balance			
Checking Account	10,335.29		
CD balance	15,651.36		
Total Cash	25,986.65		

For Some States, Medicaid Expansion May be a Tough Fiscal Call

Skeptics say the Republican governors who have pledged not to take part in the health-care law's Medicaid expansion are just posturing, and that eventually they will succumb to the lure of federal dollars. They note that several GOP governors initially refused stimulus money on political principle, but eventually accepted it because their states were desperate for help.

"I am confident that, in the end, virtually every state will expand its Medicaid program," said Ron Pollack, executive director of Families USA, a non-profit group that advocates for expanded health care coverage. "Millions of people will gain coverage, and states will never have to pay more than a dime on the dollar to make it happen. It is therefore fiscal malpractice for governors to turn down the Medicaid expansion."

But even those governors who eventually accepted the stimulus money may be wary of participating in the expansion of Medicaid, the jointly funded federal-state health care program for low-income people.

The federal government currently pays 50 percent to 80 percent of the cost of Medicaid coverage in each state, with the poorest states getting the largest proportion of federal money. But many of the states that would qualify for the highest federal match already leave federal money on the table by maintaining Medicaid programs that are more restrictive than they have to be.

For the first three years of the Medicaid expansion under the Affordable Care Act, which takes effect in 2014, the federal government will pick up 100 percent of the new costs. But starting in 2017, the federal share will gradually decline until it reaches 90 percent in 2020, where it will remain. Even that 10 percent share may be too much for some states to bear.

In its June 28 decision upholding the Affordable Care Act, the Supreme Court ruled that if a state chooses not to participate in the law's Medicaid expansion, the federal government cannot take away its existing Medicaid money.

"States have made consistent choices over four decades to keep a modest Medicaid program, when they could have had a bigger one at an 80 percent federal match rate," says Chris Whatley of the Council of State Governments. "Why not turn down the expansion now at 90 percent? It's not that big of a difference."

Matt Salo, director of the National Association of Medicaid Directors, notes that states already are struggling to cover their share of Medicaid, which is the fastest-growing part of state budgets. "Ten percent of a very large number is a lot of money," Salo says.

An optional program

If history is a guide, it might be years before the recalcitrant states agree to participate—if they ever do.

The federal government launched Medicaid as an

optional program in January 1966. Today every state participates, but that wasn't always the case: Only six states signed up initially. Eight states didn't join until 1970, and Arizona didn't participate until 1982. And it took years for every state to join the Children's Health Insurance Program (CHIP) expansion Congress approved in 1997.

As of now, Medicaid covers about 60 million people, mainly children, pregnant women, disabled adults and the elderly with household incomes at or below 133 percent of the federal poverty level, which is \$11,170 for an individual and \$23,050 for family of four. But under the Affordable Care Act expansion, Medicaid would cover anyone with a household income at or below 138 percent of the federal poverty level—roughly \$15,400 per year for an individual and \$31,800 for a family of four—including childless adults for the first time in many states.

In addition to the new people who will be eligible for the program under the new guidelines, millions of people who qualify now but are not enrolled are expected to sign up through health insurance exchanges and automatic enrollment programs.

As many as 13 million low-income people, who are likely to be sicker than most of the population, are expected to enroll through the exchanges, says Salo. States will have to pay for those new members at their regular Medicaid matching rate.

When you combine that enrollment bump—which will happen whether or not a state opts to expand its Medicaid program—with the steady increase in health-care costs generally, some states may decline to participate in the expansion, even if they do have to forfeit federal dollars.

Where states stand

Although the lineup is shifting, more than a dozen Republican governors have suggested they might decline to participate in the Medicaid expansion. Governors in Florida, Iowa, Kansas, Louisiana, Nebraska, Texas, South Carolina and Wisconsin have said they will not participate. GOP governors in Alabama, Georgia, Indiana, Mississippi, Nevada and Virginia indicate they are leaning in that direction.

Meanwhile, about a dozen Democratic governors have said their states will opt in. The rest have not declared their intentions.

According to data from the Congressional Budget Office, the federal government would spend \$923 billion on a full Medicaid expansion between 2014 and 2022, and states would spend about \$73 billion. But nobody is sure how many people will enroll in the Medicaid expansion. According to a 2010 report by the Kaiser Family Foundation, states' share of the Medicaid expansion could range anywhere from \$20 billion to \$43 billion in the first five years.

According to Kaiser, most states opting into the expansion likely would have to ramp up their Medicaid spending between 2014 and 2019, but four would spend less (Hawaii, Maine, Massachusetts and Vermont) and several others would have to boost state spending only slightly.

Mississippi's Medicaid program, for example, cost a total of \$4 billion in 2011—the federal government paid \$3 billion, and the state paid \$1 billion. Expanding that program to everybody at or below 138 percent of the federal poverty line would cost the state as much as \$581 million between 2014 and 2019, according to Kaiser's 2010 study. That's a 6.4 percent increase in state spending compared to what Mississippi would spend without an expansion.

The day after the Supreme Court ruled the Medicaid expansion was optional, Mississippi Governor Phil Bryant, a Republican, said: "Although I am continuing to review the ruling by the Supreme Court, I would resist any expansion of Medicaid that could result in significant tax increases or dramatic cuts to education, public safety and job creation."

Waiting for answers

One question that has cropped up since the high court's decision is whether the federal government will set a hard deadline for states to declare their intentions. Since the law considered the Medicaid expansion a done deal, no decision process was outlined.

Within state capitols, some officials are also questioning whether governors alone can make the decision. According to the National Conference of State Legislatures, lawmakers will have to weigh in on the Medicaid expansion choice in most states since millions of dollars are at stake.

Another question is whether states can cover fewer people—those with incomes at or below the poverty level, for example. Those above the poverty level would be eligible for federal tax credits to purchase insurance on the exchanges. States also want to know whether they can offer expanded Medicaid coverage initially and opt out later if the cost becomes too burdensome.

In a July 3 letter to the U.S. Centers for Medicare and Medicaid Services, which administers the Medicaid program, the National Association of Medicaid Directors posed these and dozens of other questions.

Until they get definitive answers, many states will be busy weighing the costs of expansion against the potential benefits of a healthier population, more health care jobs, and higher revenues for hospitals and other health care providers.

By Christine Vestal

Say Goodbye to the FY 2012 Central Arkansas AGA Board Members

Jeff Mascagni, President

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Introducing the FY 2013 Central Arkansas AGA Executive Board

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