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and Directors 2004

# Ms. Gwendolyn Sykes Brown - Chief Financial Officer, NASA



Ms Gwendolyn Brown

May 13, 2004 Luncheon

Ms. Gwendolyn Sykes Brown will be the speaker at the May luncheon. She is the Chief Financial Officer for the National Aeronautics and Space Administration (NASA). She manages day-to-day financial operations, directs the preparation and submission of annual financial and related reports, and coordinates Agency financial management activities with other federal agencies. She also is an active participant with other agency Chief Financial Officers in supporting implementation of the President's Management Agenda.

Ms. Brown came to NASA in November 2002 when she was selected as the Deputy Chief Financial Officer for Financial Management. Since that time, she has made significant strides towards improving agency-wide financial integrity. She successfully guided the agency to a clean opinion on its fiscal 2002 audit and has launched management initiatives designed to improve NASA's financial credibility.

Ms. Brown continues to be a key asset for NASA as it addresses challenges related to the STS-107 Columbia tragedy. In support of that incident, she adeptly led the financial community by ensuring adequate financial management controls were in place to support the recovery mission and establishing a family assistance fund to support family members of the Columbia astronauts. Her leadership and resourcefulness are invaluable assets to the NASA Community.

Ms. Brown started her public service career as an auditor with the Defense Contract Audit Agency. Subsequently, she served as a legislative correspondent for Senator Ted Stevens, where she coordinated activities related to protecting Alaska's vital fishery industry during the Valdez oil spill. Ms. Brown then became an analyst with the Department of Defense and helped plan, develop, and institute a wide range of modern business and accounting initiatives.



Ms. Gwendolyn Sykes Brown, Chief Financial Officer, NASA

Thursday, May 13th - Luncheon Pier 7 Restaurant in the Channel Inn - 650 Water St. SW (on the Waterfront) 11:30 - 12:00, Social / 12:00-1:15, Luncheon Meeting (1 CPE)

For reservations, please register on-line at the AGA-DC home page: <a href="www.agadc.org">www.agadc.org</a> or call Judy Ochs at 202.622.2136 or Wanda Carrington at 202.622.0550.

Parking: Pier 7/Channel Inn offers free parking in the underground garage.

Blue/orange/yellow/green lines: L'Enfant Plaza stop. From metro, take Exit for 7th and D, Dept of Transportation. Walk across plaza to your right toward HUD and 7th St. Turn left on 7th St., walk four and a half blocks to I St. Right on I St. at the Riverside Baptist Church. One block to Maine Ave., cross over to Water St. Channel Inn and Pier 7 Restaurant are on your left. (9 minute walk from metro)

<u>Green line: Waterfront/SEU stop</u>. From metro, turn right on M st. Walk one block to 6th St. and at Arena Stage, cross Maine Ave toward waterfront and Gangplank/Odyssey. Turn right on Water St. Channel Inn and Pier 7 Restaurant are one block to your right. (6 minute walk from metro).

# President's Message

by Bob Reid, President



Mr. Bob Reid, President

Dear Chapter Members,

As the year draws to a close, I want to say how much I've enjoyed serving as Chapter President and to express my thanks to all the officers, directors, and committee chairs who helped move the chapter forward. Everyone did a great job! I especially want to thank and give a President's award to Harris Gofstein, Webmaster; Judy Ochs, Meetings Director; John Cherbini, Sponsorship Chair; Diane Wright, Newsletter

Editor; and Chapter Officers Ann Davis, Treasurer; and Dan Christovich, Secretary. Thank you very much!

We have some good things to report. First, we are now on a sound financial footing, thanks to the generous contributions of our sponsors, your participation at meetings and the conference, and the change in meeting venue to locations where we did not have to pay a large minimum as we did at the hotel. Second, we had an excellent round of speakers and relevant CPE sessions and had an important May education conference on FFMIA Compliance.

If you attended the April Awards and Member Recognition Dinner at Pier 7, I hope you enjoyed the superb dinner and special event in honor of our long-time AGA members and distinguished colleagues in the financial management community. It was a pleasure to greet the chapter's three wise men: the venerable Ray Einhorn (Charter Member, 1950), C.J. "Joe" Jauchem (1953), and Darryl Verner (1957). Those attending who joined AGA in the 1960's were Gerry Murphy and Irv Faunce (1964), and George Davis (1969). This was the 30-year anniversary for Ron Adolphi, Evelyn Brown and Dennis Mitchell (1974). Others who joined in the 1970's were Tom Mundell (1970), Dorothy Norwood (1973), Joel Charney (1975), Karl Boettcher (1976), Chuck McAndrew (1977), and Sue Mundstuck (1978). It was the 25year anniversary for Linda Cheatham, Doug Verner and Jon Wolz (1979). That's 600 years of service, folks!

Congratulations to this year's chapter award winners: Sky Lesher, Joe Kull, Evelyn Brown, Phyllis Hunter, Karl Boettcher, and Susan Johnson!

Sky, OMB's first director of Federal Financial Systems and now Interior's Director of Financial Management and Deputy CFO, won the Einhorn-Gary award for enhancing AGA in the financial management community. Sky will also receive the National Einhorn-Gary Award at the National PDC in Washington, June 27-30. (Please mark your calendars for the PDC!) Joe Kull, former Deputy Controller of OMB's Office of Federal Financial Management, now a director at PWC, LLP federal practice, won the chapter's Distinguished Service award for significantly advancing government accountability.

Evelyn Brown, OPM's Deputy CFO, received the Distinguished Leadership Award for her dedication to excellence in government and commitment to public service. Phyllis Hunter, of Grant Thornton, was awarded the Achievement of the Year Award for her work as Programs Director of AGA-DC. Karl Boettcher, FMS, received the James W. Saylor Award for his outstanding service to the chapter. Susan Johnson, of LMI, was awarded the chapter's Education and Training Award for coordinating the chapter's educational conference.

We also were delighted to see so many of our past chapter presidents, including Ray Einhorn, Gerry Murphy, Tom Mundell, Sam Mok, Pat Wensel, Evelyn Brown, Bill Anderson, Eva Williams, Mike Noble and Wendy Comes. I will join you all at the table next year, when I turn the chapter leadership over to our very capable President-Elect, Karen Cleary Alderman.

Karen, I hope you'll enjoy the experience as I did! All the best to you!

Bob Reid



#### **E-mail Mailing List**

Would you like to receive e-mail reminders of our monthly meetings and conferences? If so, please go to <a href="http://www.agadc.org">http://www.agadc.org</a> to sign up for our mailing list in the Member Services section of the website.



IN TODAY'S WORLD, the most successful enterprises are defined by their ability to optimize business practices consistent with their missions. While the missions of government and business may be very different, executives in both public and private sectors are finding that the challenges they face are increasingly similar: contain costs, improve performance, ensure consistency, satisfy customers and achieve results.

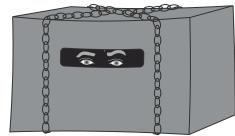
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# Inside the Black Box

by Simcha Kuritzky, CGFM CPA



#### Part of a Whole

The elegance of double-entry bookkeeping is that a transaction contains all the changes in financial status. Whereas single-entry bookkeeping records might list a sale as an increase to cash, double-entry records list the sales revenue and cash in separate accounts. In federal accounting, any impact on budgetary resources and status are also recorded simultaneously.

Databases are organized lists of transactions. It is easy to extract all postings to a particular account, but more complicated to select only certain types of transactions or to summarize the activity by type (for some systems, this may not even be possible). For example, if one investigates receivables, one might want to separate reimbursement bills, reimbursement collections, vendor refund bills, and vendor refund collections. There are many different approaches to this problem.

The simplest solution is to use subaccounts for all different types of activity. This, of course, requires the user to know beforehand what types of activity need to be grouped together and what types need to be separate. It makes sense to use separate subaccounts for different types of receivables, so reimbursement receivables and vendor refund receivables could be in separate subaccounts. However, if we kept billing and collection activity in separate subaccounts, then the balance of the receivable doesn't really go down unless we clear both subaccounts. This could be done on an annual basis by closing both subaccounts into one main account (similar to spending adjustments closing into undelivered or delivered orders), or clearing the entries from both accounts when a receivable is closed (similar to backing out the entries for an asset and its accumulated depreciation when the asset is sold or disposed of).

Another solution is to identify the type of transaction based on the other accounts posted. Relational databases can give one the option of linking the entries in one account to the other accounts. So reimbursable bills would be debits to receivables that have an offsetting credit to revenue, while collections have an offset in cash. This type of query may or may not be supported by any given database or financial system. It also has limitations. For example, a vendor refund collection could look like a reimbursement collection in that both debit cash and credit receivables.

Perhaps the best solution is to identify the type of transaction in non-account elements in the journal. If the SGL Transaction Code is stored in the journal, then different types of entries can be more easily identified (although the SGL might combine activity the user may want separate). Some data elements might be inherent in the different types of transactions—e.g., an object code might only be recorded for changes in expenditures or vendor refunds, while reimbursements may use a special resource code or sub-fund. The agency may number documents differently based on the kind of transactions, or the user may enter a transaction type. The system might also use a code to classify the different types of activity, such as changes to obligations, revenues, or fixed assets.

In summary, financial reporting systems should allow for quicker and more efficient analysis of account activity by storing data in the journal that is useful to determine the type of transaction. There are a number of ways of doing this. A well-thought out and documented scheme of accounting codes can greatly reduce the effort necessary to produce useful reports and ad hoc analysis.

The SGL concepts in this column represent the opinions of the Author and are not endorsed by AMS, the AGA, the USSGL Board, or the Treasury Financial Management Service. Please send comments, suggestions, and critiques to Simcha. Kuritzky @ ams.com.



## Ms. Gwendolyn Sykes Brown - Chief Financial Officer, NASA

(continued form page 1)

Throughout her career, she has been recognized for her exceptional performance. In 2003, she was awarded the NASA Exceptional Achievement Medal for outstanding budgetary and financial management leadership of the NASA financial community. She is considered an expert in the areas of accounting and financial management, and frequently lectures at a variety of financial management conferences and symposia.

Ms. Brown holds a bachelor's degree in Accounting from The Catholic University of America and a master's degree in Public Administration from The American University. She is a Certified Government Financial Manager.

#### A Night Under the Stars at Wolf Trap

AGA member services is sponsoring an evening at Wolf Trap National Park for the Performing Arts on Sunday, May 23 at 8 p.m. We will be entertained by the "President's Own" United States Marine band followed by fireworks at 9 p.m. There is no charge or tickets required for this activity. There is plenty of free parking. Gates will open at 7:00 p.m. for in-house and lawn seating. In order to ensure inside seating, we will meet at the entrance (box office area) by 6:30 p.m.

Those wishing lawn seats should bring blankets and/or lawn chairs. Wolf Trap is located just 4 miles west of Tysons corner. From 495, take Rt. 7 to Towlston Rd., left on Towlston Rd., and go 1 mile to the Wolf Trap parking area. If you are interested in attending this activity, please contact agadc – <u>karl.boettcher@fms.treas.gov</u> (202.874.6131). For additional information you can also contact Wolf Trap at <u>www.wolftrap.org.</u>







#### AGA Washington Chapter Membership Services Events 2003-2004

In an effort to provide our membership with a variety of social activities, Members Services is scheduling the following events for the coming membership year. These events represent some new initiatives and repeats of our most successful prior year's activities. We will again attempt to partner our activities with, local

AGA chapters and other professional organizations. Also, watch for our participation in additional partnership activities being planned by other regional AGA chapters and by our own Community Service and Early Careers.

Date	Event	Partnership	
May 23, 2004	Wolf Trap Event		
May/June, 2004	Attend Baltimore Orioles or Northern Virginia Cannons Baseball Game	Baltimore Chapter NVA Chapter Early Careers	
June, 2004	Golf Tournament	ASMC/KPMG	

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 GWSCPA, ASMC and the AGA - NVA, 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 responses or direct any questions to our chapter Member Services Director, Karl Boettcher at *karl.boettcher@fms.treas.gov* (202.874.6131).

#### **Job Announcements**

Job Type	Series	Agency	Announcement Number	Application Close Date	Contact
Staff Accountant	GS-0510-13/13	General Services Administration	040029204DE Non-Status 040028104MP Status	05/14/2004	202.501.0370
Supervisory Staff Accountant	GS-0510-14/14	Agriculture, Co-operative State Research, Education & Extension Service	CSREES-S4M-0036	06/02/2004	202.720.2870
Accountant	GS-0510-13/13	Federal Student Aid	FSA-2004-0128	05/07/2004	202.401.1753
Lead Accountant	GS-0510-14/14	US Attorneys, Executiv Office, & Office of US Attorneys	04-EOUSA-42	05/14/2004	202.616.6812
Accountant	SK-0510-13/13	Securities and Exchange Commission	ESHA-03-060-DP	05/17/2004	202.942.4150

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

#### **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 June 2004 issue is May 14, 2004. Please send your comments and contributions to the newsletter editor, Diane Wright at *diane.wright@ams.com*.

#### **Chapter Meetings, Talk it up and ATTEND!**

#### **Luncheon Meetings**

Date: Thursday, May 13th - Luncheon

Location: Pier 7 Restaurant-Channel Inn, 650 Water St. SW

Time: 11:30-1:30pm

Speaker: Ms. Gwendolyn Sykes Brown, Chief Financial Officer,

NASA

#### **Board Meetings**

Time: 12:00-1:00pm (Directors, Officers, Members Welcome)

Location: JFMIP, 1990 K Street, Room 430

Tuesday May 11th

#### **Education Events/Conferences**

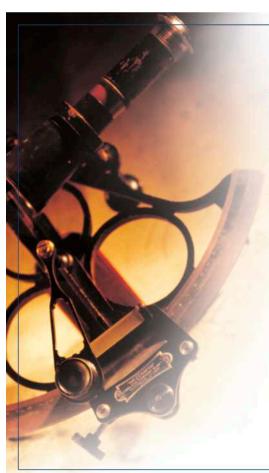
Event/Conference: Achieving FFMIA Compliance

Date: May 4th-5th

Location: George Washington University, Marvin Conference

Center, 800 21st Street, NW

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# Washington DC Chapter AGA Board Meeting Minutes from Tuesday April 6, 2004

Fourteen Members of the board participated. The following topics were discussed:

- Meetings
  - a. Sallyanne Harper will be speaking at the Awards Dinner on Wednesday, April 21.
  - b. Remaining luncheon is May 13 at Pier 7. Gwen Brown from NASA will be speaking.
- There will be a two-day educational conference on May 4th and 5th at The George Washington University's Marvin Center.
- Volunteers are needed for the PDC in June, here in Washington DC.
  - a. Contact Tonya Allan-Shaw if you want to volunteer. Still looking for volunteers for Saturday, Sunday, Tuesday's President's Reception, and Wednesday thru Thursday.
  - b. Volunteer Meeting is at 9 am on April 24th at AGA National HQ in Alexandria.
  - c. Chapter leadership should plan to attend the National Board of Directors meeting on Sunday June 27th (Part of PDC).
- Community Service Activities:
  - a. April MS Walk and collecting pop-tops for Ronald McDonald House and Christmas in April on the 24th.
  - b. Still collecting eyeglasses, cell phones, items for the Troops Bring any donations to the dinner.
  - c. There will be a bike race coming up as Community Service for the American Lung Association in June. It's a 40-mile ride, Salisbury to Assateague. There is a \$30 entry fee plus \$80 in pledges. The 2-day event will include an overnight stay, breakfast, and dinner. If you are interested, contact Eva Williams.
- Member Services:
  - a. Wolf Trap event Sunday May 23rd, 8pm, President's Own Marine Band. There is no charge for this concert. Meet at 6:30 for 7pm open gates. Fireworks at 9.
  - b. Still working out details on the baseball game, so far it's not looking good. However, there may be an opportunity to attend a game with the Richmond Chapter.
  - c. Last activity is the golf tournament with ASMC.
- · Early Careers
  - a. Happy Hour Scheduled for Capitol City Brewing Company (Union Station) on Thursday 22 April 5-7pm.
- Regional Vice President Comments
  - a. There will be regional chapter officer workshop Saturday, May 15th. Need as many chapter officers as possible to attend at Embassy Suites in Crystal City.
- We need a push for new members. We are currently at 25% of goal for the program year.
- Are you interested in serving on the Washington Chapter Board for the 2004-2005 Program Year? If so please contact President Elect Karen Alderman at <a href="mailto:karen.alderman@gsa.gov.">karen.alderman@gsa.gov.</a>

The next Director's Meeting will be held at JFMIP on May 11, 2004.

Anyone who wants more information concerning items discussed at the Board meeting please contact Dan Christovich at <a href="mailto:dchristovich@comdt.uscg.mil">dchristovich@comdt.uscg.mil</a> or 202. 267.1257.



#### Join Us for the 2004 PDC in Washington, D.C.

You're invited to attend the premier government financial management education event of the year!

AGA is proud to announce its 53rd Annual Professional Development Conference & Exposition (PDC), to be held June 27 – 30, 2004, at the Marriott Wardman Park Hotel in Washington, D.C.

The PDC will bring together more than 1,200 federal, state and local government professionals, as well as private sector leaders, to discuss timely issues affecting government financial management. The conference offers 25 CPE hours and provides

unparalleled opportunities to make valuable professional contacts, discuss challenges, discover creative solutions and gain the tools you need to become more effective.

With the theme "Technology: Powering the Accountability Age," PDC 2004 provides the perfect opportunity to become more knowledgeable about the complexities of meeting new expectations for accountability. There has never been a more critical time to become a better-educated government financial manager. Commit to excellence today by registering for the top training event of the year.

## **Early Careers Social Planned for 5/20**

On Thursday, May 20th, Early Careers will be holding a Social at the Capital Hill location of the Capital City Brewery Company, featuring \$2.50 pints and half price appetizers. The Social will run from 5 pm until 7 pm. The location is 2 Massachusetts Avenue, immediately adjacent to Union Station. If you are interested in attending or have any questions, please contact the Early Careers Director, Chris McGrath 703.518.6574.





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#### **Clean Audits Just A First Step for SSA**

With a clean audit opinion behind them, chief financial officers of three federal agencies say they are focusing on providing program managers access to timely and accurate financial information. Such access will help managers analyze the costs and benefits of policy options and allow them to better assess programs' performance, the financial officers said during a panel discussion hosted earlier this month by the Joint Financial Management Improvement Program. After getting past the basics of sound financial management, the U.S. Social Security Administration (SSA) developed technology to help managers track progress at meeting program performance goals and related costs, said agency CFO Dale W. Sopper, CGFM, a member of AGA's Baltimore Chapter. Using the tracking systems, SSA managers can look up data such as the average time spent answering customer inquiries at the agency's toll-free information lines. The data in the system is up-to-date and reliable, Sopper said. SSA managers also can use database information to analyze policy alternatives and make more informed decisions among various choices, he added. SSA is ahead of the curve on financial management, having earned a green light — the highest rating — on the financial management portion of the U.S. Office of Management and Budget's (OMB) management score card. The U.S. Agency for International Development (USAID) and the U.S. Department of Labor also are working to provide timely financial information to program managers. The Department of Labor's financial office has expended a lot of resources meeting the accelerated schedule for submitting financial statements to OMB. But these efforts will not pay off unless program managers use the more timely information, said Samuel Mok, CGFM, the agency's CFO and a member of AGA's Washington, D.C. Chapter. To that end, Mok's staff is working to publicize and promote the information available to program managers.

—Amelia Gruber, Government Executive. Read more at <a href="https://www.govexec.com/dailyfed/0304/030904a1.htm">www.govexec.com/dailyfed/0304/030904a1.htm</a>

#### **Agencies Making Headway on E-Gov Efforts**

OMB report praised the progress of federal agencies on their egov efforts. Two federal agencies — The National Science Foundation and the Office of Personnel Management — met every standard of success and the majority of agencies surveyed made substantial headway. Targets include focusing information technology funding on modernization efforts, keeping major IT

projects within 10 percent of their cost and scheduling projections, certifying IT systems, producing tangible returns on e-government initiatives and reducing redundant IT spending.

—David McGlinchey, Government Executive. <u>www.govexec.com/dailyfed/0304/031004d1.htm</u>

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#### New Report Looks at the Future of the Accounting Profession

The American Assembly has issued its report, "The Future of the Accounting Profession," on three broad areas of the accounting profession: its present state, its desired future state and how it might reach that future state. The report offers analysis and perspectives for regulators, the capital markets, investors and the audit profession. The members discussed the challenges and changes that are following the sensational accounting scandals of the last three years. As a group, they were generally satisfied with the new regulatory trends and the moves by corporate America toward reforming its own practices. The group also stated that the accounting industry is moving to improve its own business, after acknowledging that auditors have far too often yielded to management pressure to paint the most favorable picture possible of a corporation's financial health. However, conference attendees also believe that too much may be demanded of the auditing process. The American Assembly, an affiliate of Columbia University, was founded by President Dwight D. Eisenhower in 1950 "to illuminate issues of public policy." For a full description of The American Assembly, go to

www.americanassembly.org/about.htm

—American Assembly. To download the complete report go to http://www.hypermediative-

dev1.net/programs.dir/report\_file.dir/accounting\_report\_report\_fi le\_acctg.pdf

#### **FASAB Publishes Exposure Draft on Statement of Social Insurance**

The Federal Accounting Standards Advisory Board (FASAB) has issued an Exposure Draft titled, Presentations of Significant Assumptions for the Statement of Social Insurance: Amending SFFAS 25. The proposal would require disclosure of significant assumptions underlying the Statement of Social Insurance. The proposed disclosures are intended to help financial statement users assess the uncertainty surrounding long-range projections. The proposal would be effective for reporting periods ending after Sept. 30, 2004. Comments are requested by May 17. To obtain a copy of the Exposure Draft call 202.512.7350 or go to www.fasab.gov/exposure.htm

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# FFMIA Compliance Reality Check: Test Your Agency FFMIA IQ



#### Can your agency answer "true" to the following statements?

- Our financial system contains information to prepare auditable annual financial statements on an ongoing basis for day-to-day management of programs and operations.
- We have no problems with reconciliation, including reconciling fund balance with Treasury records.
- Our financial system contains financial information that is timely and accurate. Agency management uses this information to invest resources, reduce costs and oversee programs.
- Our integrated financial system provides automated month and year-end closing of SGL accounts and rollover of SGL account balances.
- Our auditors have given our agency a positive assurance that our system is in substantial compliance with FFMIA.

If you can't answer "true" to all the above statements, come to the AGA-DC and GWSCPA 3rd Annual Conference on "Achieving FFMIA Compliance." Hear from CFOs and other high level financial managers about their efforts in achieving FFMIA compliance by:

- · Integrating financial management systems,
- Improving reconciliation procedures,
- · Achieving accurate and timely reporting,
- Complying with the SGL,
- Adhering to federal accounting standards, and
- Strengthening security over information systems.

Dates: May 4 and 5, 2004 Time: 8:00 am – 4:30 pm

Location: George Washington University's Cafritz Conference Center

#### **Conference Registration:**

AGA-DC and GWSCPA Members:

\$300 early registration (\$350 late registration – after April 16th)

#### **Nonmembers**

\$350 early registration (\$400 late registration – after April 16th)

#### Continuing Education:

15 CPE (The GWSCPA Educational Foundation is providing CPE credit for both GWSCPA and AGA-DC members. The Foundation is a registered CPE sponsor with: DC / MD / NJ #845.)

For more information visit www.agadc.org.

#### AGA-DC & GWSCPA



# 3rd Annual Conference "ACHIEVING FFMIA COMPLIANCE"

May 4-5, 2004 – George Washington University's Cafritz Conference Center (Inside the Marvin Center, 800 21st Street, NW)

#### **Highlights:**

This 2-day conference will address how agencies are achieving compliance with the Federal Financial Management Improvement Act. Come to hear CFOs and other high level financial managers in key roles as they discuss their efforts in achieving FFMIA compliance by:

- Integrating financial management systems
- Strengthening security over information systems
- Improving reconciliation procedures
- Achieving accurate and timely reporting
- Complying with the SGL
- Adhering to federal accounting standards

#### **Conference Information / Registration:**

Program times: 8:00 am until 4:30 pm on both Tuesday and Wednesday

AGA-DC /GWSCPA members: \$300 early registration (\$350 late registration – after April 16, 2004)
Non-members: \$350 early registration fee (\$400 late registration – after April 16, 2004)

#### **Continuing Education:**

15 hours CPE credit (recommended) – credit offered by GWSCPA Educational Foundation for all participants

Level: Intermediate Format: Lectures + Question & Answer)

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#### **Federal Employees on Track for 3.5 Percent Raise**

The House debated federal pay Wednesday and, in the end, cast a vote that bodes well for efforts to boost civil service pay raises next year. Although some union lobbyists and congressional aides thought that yesterday's House vote on a "pay parity" resolution might be a squeaker, the margin of victory was substantial. The vote was 299 to 126 in favor of providing parity raises to the civil service and the military in 2005. If no roadblocks pop up in Congress or at the White House, federal employees appear on track for a 3.5 percent raise, the increase proposed for military personnel. In his fiscal 2005 budget plan, President Bush recommended a 1.5 percent raise for the civil service and the 3.5 percent increase for the military. In a statement, one of the chief sponsors, Rep. Thomas M. Davis III (R-VA), called the vote "not only an important victory for federal workers—it is also a historic

day for all of us who care about the federal family. By having an upor-down vote, we have seen an unprecedented expression of the House's will that we should reward our dedicated employees with suitable and equal pay raises." As Davis noted, the resolution expresses only the sense of the House. But a lot was at stake. On March 17, Rep. James P. Moran Jr. (D-VA) was rebuffed by the House Budget Committee when he offered an amendment to its fiscal 2005 blueprint. The committee defeat appears to have motivated Davis and Wolf to push for an unusual floor vote before the House Appropriations Committee began setting its spending priorities.

—Stephen Barr, The Washington Post. Read more at <a href="https://www.washingtonpost.com/wp-dyn/articles/A40535-2004Mar31.html?referrer%3Demail">www.washingtonpost.com/wp-dyn/articles/A40535-2004Mar31.html?referrer%3Demail</a>

#### **DHS Still Facing Management Challenges**

Although the U.S. Department of Homeland Security (DHS) has made significant progress in addressing management challenges this year, some improvements will take years to implement, the department's inspector general wrote in a recent report. While the department has been consolidating its financial management, contracting and human resources operations, those functions still "are not under central control," and contracts management and information technology present "formidable challenges," according to the report. Although grant programs to first

responders have been consolidated, a better management system is needed, the inspector general said, adding that an integrated financial system is "years away," finalizing human resource regulations will be "challenging," and protecting U.S. borders poses immense challenges that "will take years" to solve.

—National Journal's Technology Daily. Read more at <a href="https://www.govexec.com/dailyfed/0304/032404tdpm2.htm">www.govexec.com/dailyfed/0304/032404tdpm2.htm</a>

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#### **Kerry Would Cut 100,000 Federal Contractor Jobs**

Sen. John F. Kerry's campaign pledge to deflate the ballooning federal budget deficit contains several provisions that could affect the federal work force. The presumptive Democratic nominee said he would cut 100,000 federal contractor jobs, cap federal travel budgets, and streamline federal agencies and commissions to rein in administrative costs by 5 percent, among other moves. "And when we're done, the federal government will be smaller, but smarter, more effective and less expensive," Kerry said in an April 7 speech at Georgetown University. Jason Furman, Kerry's economic policy director, said yesterday that the government could save \$60 billion over 10 years by cutting contractors and freezing the federal travel budget at \$8 billion annually. He conceded he did not know how much trimming administrative costs by 5 percent would save, saying only that it would be

"substantial." The proposals are the seeds of an alternative to President Bush's Management Agenda, a plan that calls for opening more government jobs to competition from private contractors, for reducing fraud and mismanagement, for making more government services available online and for linking program funding to performance. Federal union leaders called Kerry's promise to wipe out 100,000 federal contractors an important counter to Bush's efforts to move as many as 434,820 federal jobs to the private sector as part of his competitive sourcing initiative.

—Christopher Lee, The Washington Post. Read more at <a href="https://www.washingtonpost.com/wp-dyn/articles/A62662-2004Apr8.html?referrer%3Demail">www.washingtonpost.com/wp-dyn/articles/A62662-2004Apr8.html?referrer%3Demail</a>

#### **Whistleblower Cases to Get Quicker Action**

Federal employees lodging allegations of waste, fraud and abuse may start receiving more timely responses to their complaints, according to the head of the office processing those complaints. In recent meetings, senior staff members at the Office of Special Counsel (OSC) developed an aggressive strategy for eliminating a severe backlog of whistleblower cases and prohibited personnel practice complaints by the end of the year, said Scott Bloch, head

of OSC. The plan calls for senior staff members to take on the cases piling up, rather than handing off the complaints to less experienced attorneys, he said. OSC will also hire additional attorneys and investigators.

—Amelia Gruber, Government Executive. Read more at <a href="https://www.govexec.com/dailyfed/0404/040804a1.htm">www.govexec.com/dailyfed/0404/040804a1.htm</a>

#### Labor, Transportation at Top of Annual Performance Report Rankings

Federal agencies improved their annual performance reports in fiscal 2003 overall, according to an analysis by the Mercatus Center, a policy institute based at George Mason University. The center on Wednesday unveiled its annual rankings of how well 24 major agencies communicated their missions to the public and policy-makers in fiscal 2003 performance reports. Mercatus rated the reports on a scale of 1 to 20 in three areas; clarity and accessibility, demonstration of progress and results, and leadership in fixing management problems. The average agency scoring was 34 out of 60 for fiscal 2003, a 13 percent increase over the previous year, said Jerry Ellig, a senior research fellow at Mercatus. Agencies did a better job of stating outcome-oriented goals and discussing major management challenges, Ellig said. But in future reports, officials must improve at explaining failures. articulating plans for improving performance and assessing the cost-effectiveness of programs, he noted. The U.S. Departments of Agriculture and State moved up substantially in the rankings,

said Comptroller General David Walker. These two agencies tied for fourth place in fiscal 2003. Neither agency rated above tenth place the previous year. The U.S. Department of Transportation joined the U.S. Department of Labor at the top, with 48 out of 60 possible points, and the U.S. Department of Veterans Affairs ranked right behind with a score of 47. The U.S. Department of Defense (DoD) ranked second to the bottom and the U.S. Department of Homeland Security was last, but its report had not been completed at the time Mercatus researchers compiled their rankings. Defense officials are just as qualified as their counterparts at other agencies, Walker said. But they spend the majority of their time grappling with policy issues. "It's not the people," he said. "It's the priorities, the processes [and] the systems."

—Amelia Gruber, Government Executive. Read more at <a href="https://www.govexec.com/dailyfed/0404/041404a1.htm">www.govexec.com/dailyfed/0404/041404a1.htm</a>





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