

WASHINGTON CHAPTER LUNCHEON MEETING

THURSDAY

December 5, 1991

SPEAKER



Catalina Vasquez Villalpando
Treasurer of The
United States

About the Speaker
Page 3

The Role of the Treasurer

Touchdown Club
2000 L Street, N.W.
(Near Farragut West Metro Stop)
Social: 11:30 (Cash Bar)
Luncheon: 12:00 noon
Menu: Filet Mignon
Cost: \$16.00 (Members)
\$18.00 (Non-Members)

Reservations Recommended
Call (703) 758-4080 Voice Mail
Through Tuesday December 3
Non-Members Welcome
No-Shows are Expected to Pay

Walk-in's Welcome on Space
Available Basis
Hint: Make Reservations

OFFICE OF MANAGEMENT AND BUDGET (OMB) ESTABLISHES OFFICE OF FEDERAL FINANCIAL MANAGEMENT

By Dennis S. Mitchell, Editor-in-Chief

In August 1991, OMB established the Office of Federal Financial Management (OFFM), in compliance with the Chief Financial Officers Act of 1990 (CFOs Act). Establishment of OFFM involved a reconfiguration of OMB's Financial Management Division, as well as a major expansion of that Division's responsibilities to meet OMB's financial management mandate under the CFOs Act. As required by the CFOs Act, OFFM is headed by a Controller, who reports to OMB's Deputy Director for Management. OFFM's organizational structure further consists of a Deputy Controller and the following four branches:

—Deputy Director for Management, Frank Hodsoll nominated by President Bush on October 1, 1991.

—Controller, Edward Mazur nominated by President Bush on October 1, 1991.

—Deputy Controller, Hal Steinberg, selected on September 3, 1991.

—The Financial Standards and Reporting Branch (FSRB) (Woody Jackson, Branch Chief, effective October 27, 1991) defines the form and content of financial statements to be prepared by Executive Branch agencies.

—The Federal Financial Systems Branch (FFSB) (Schuyler Leshner, Branch Chief, effective October 27, 1991) develops financial systems policies and oversees their implementation in Executive Branch agencies.

—The Credit and Cash Management Branch (CCMB) (Tom Stack continues) develops government-wide policy in the area of asset management.

—The Management Integrity Branch (MIB) (Susan Gaffney continues) oversees implementation of the Financial Managers' Financial Integrity Act in Executive Branch agencies.



NEWSLETTER HIGHLIGHTS

Sam Mok, Chapter President, provides unique perspective on the image of accountants on page 2.

Ms. Villalpando's biographical information appears on page 3.

Chapter Officers, Directors, and Chairpersons appear on page 3.

Chapter Calendar and Schedule of Events are provided on page 4.

Chapter Educational Event— 3 CPE's on December 5, 1991. First of a series of three. Details on page 4.

Photo and Bio series on Chapter Officials continues, along with other Chapter Executive Council (CEC) Activity, on page 5.

Technical Topics continue with an article on system integration by Clyde G. McShan, II, U.S. Dept. of Agriculture, on page 6.



PRESIDENT'S MESSAGE



Sam Mok

In the movie "Death Wish," Charles Bronson played the character of an architect who became a vigilante. He took the law into his own hands and went after the criminals who raped his wife and daughter.

I understand that when Hollywood producers bought the movie rights from the publisher of this book, they decided that the story in the book would not play in Peoria, as they would say.

Why? Because the main character—The Vigilante—in the book was an accountant. The bright minds in Hollywood concluded that the American public would never buy the notion that an accountant would be capable of doing all that macho stuff.

They did some market research and decided that the image of an architect would be more compatible with the story. The rest is history. Hollywood made millions and millions from the movie. You can still see it on late night TV from time to time.

The business decision on this movie project raised a very troublesome question about the image of the accounting profession. I remember when I was a bachelor, a young lady I was dating informed me that her father objected to our dating after he found out that I was "just an accountant," not a doctor or engineer as he thought. I have been very sensitive to our professional image ever since.

Government accountants are not necessarily a glamorous lot. However, we do play a very important role in the management of our government and the shaping of the future of America. The CFOs Act confirms the recognition of this role by the elected representatives of the American people. As we are all busily charging forward to carry out the implementation of the CFOs Act and all the related requirements from OMB, let us also take time out to think about how we want to be remembered or perceived after all is said and done.

The CFO-ship in the private sector is one of the top decision makers in a properly managed enterprise. It has not always been this way. Looking back over the last 40 years, different specialties had their shots at shaping our business world and our lives. In the 50s, the top management in most American corporations were from the production and manufacturing part of the business. Engineering was key to top jobs. In the 60s, marketing and packaging became fashionable. Many CEOs came from the marketing and sales departments. They, in turn, hired and promoted more of the same.

The recession and economic difficulties in the early 70s provided the opening for the number crunchers to come up to the corporate power corridors to provide quick fixes. CPA and MBA credentials became the tickets to the top. Hence the phenomenon—the CFO also rises. Bean counters, like us, suddenly became in demand and the CFOs played key roles in most major corporate decisions. Unfortunately, this laid the groundwork for many of the problems in the business world of the 80s which we are now trying to untangle.

What have the CFOs of the private sector brought us? I think the jury is still out on that one but I am convinced that they played a key role in reshaping our way of life and the way we do business. The government CFO and the Comptrollers will do the same in time. Let us examine the lessons learned in the private sector and let us benefit from their experiences. There is an old Chinese saying that goes like this:

Those who don't read history are condemned to repeat it

or

The wise learn from other people's mistakes,
The mediocre learn from their own,
And a fool never learns.

As for our image and how we want to be remembered. Two years ago, a certain national politician who has the best SF-171 in this country was incorrectly perceived by some as a wimp. Today nobody can or will call him a wimp anymore. Maybe that's why his 171 is better than ours and his address is now 1600 Pennsylvania Avenue. Let us work together and improve our image as accountants.

ABOUT THE SPEAKER

**Catalina Vasquez Villalpando
Treasurer of the United States**

Catalina (Cathi) Vasquez Villalpando was sworn in as the 39th Treasurer of the United States on December 11, 1989 after Senate confirmation on November 18.

As Treasurer, Ms. Villalpando advises the Secretary on matters relating to coinage, currency and other instruments issued by the United States, and the promotion of Savings Bonds. Ms. Villalpando also provides oversight of the U.S. Mint, the Bureau of Engraving and Printing, and serves as the National Director for the U. S. Savings Bonds Division. She also chairs the Advanced Counterfeit Deterrence Steering Committee.

Ms. Villalpando previously served as Senior Vice President of Communications International, Inc., (CII) a multi-national telecommunications systems integrator with headquarters in Georgia. Since 1985, Ms. Villalpando directed all public relations and marketing for CII's northeast region, based in the Washington, D.C. office.

From 1983 through 1985 she served as White House Special Assistant for Public Liaison to President Ronald Reagan. During her tenure, she coordinated and developed programs and initiatives in all areas relative to the Hispanic community. Prior to this, she served as Liaison Director for the Republican Party of Texas.

In 1980, Ms. Villalpando served as Assistant State Director for the Reagan-Bush '80 Victory Committee. She also directed Hispanic recruitment efforts for the George Bush for President 1980 campaign.

In 1981, Ms. Villalpando joined the White House Office Presidential Personnel as a Staff Assistant to the Director where she assisted in the recruiting of presidential and high-level appointments for Federal Government.

Ms. Villalpando has also served as Vice President for Public Relations of the Mid-South Oil Company in Dallas, Texas where she was the only female on the Board of Directors.

From 1973 to 1978 she served as Business Specialist with the U.S. Department of Commerce, Dallas Region, and prior to that was congressional liaison for the office of Economic Opportunity.

From 1987 to 1990, Ms. Villalpando Chaired the Republican National Hispanic Assembly (RNHA), and is also active in the Southwest Texas State University Foundation and the Southwest Voter Registration and Education Project.

Ms. Villalpando is a native of San Marcos, Texas where she attended Southwest Texas State University. She has also received an honorary doctorate of humane letters degree from the University of Houston in Houston, Texas. Ms. Villalpando currently resides in Washington, D.C.

**ASSOCIATION OF GOVERNMENT ACCOUNTANTS
WASHINGTON CHAPTER EXECUTIVE COUNCIL (CEC) & OTHERS 1991-1992**

OFFICERS

President (202) 377-9322	Samuel T. Mok Treasury
President-Elect (202) 566-2861	Marcus W. Page Treasury
Secretary (202) 566-6261	Patricia L. Wensel Treasury
Treasurer (202) 208-2417	Warren J. Cottingham Treasury
Past President (202) 366-1306	Joyce Shelton Transportation

DIRECTORS

Programs (703) 697-0503	Alvin Tucker Defense
Membership Services (202) 366-0269	Evelyn Brown Transportation
Education (703) 875-6920	Larry Eisenhart State
Small Business Education (202) 523-5906	Joyce Charles Labor
Budget & Finance (202) 501-6060	Patricia Dews Natl. Arch. & Rec. Adm.
Chapter Awards (202) 874-7040	Nancy Fleetwood Treasury
Student Awards (202) 732-5848	Carol Lynch Energy
Cong./Priv. Sec. Lia. (202) 861-4150	Richard Willett Grant Thornton
Publicity & Agency Lia. (202) 606-1200	Joe Willever Ofc. of Pers. Management
VITA (202) 523-7296	Velma Speight Labor

COMMITTEE CHAIRPERSONS & OTHERS

Programs (703) 697-6148	Diane Bray Defense
Meetings (202) 208-1393	Karl Boettcher Treasury
Membership Services (301) 496-3417	Sue Fields Natl. Inst. of Health
Education	
Co-Chair (202) 377-7272	Gary Whittington Treasury
Co-Chair (202) 566-6670	Mike Noble Treasury
Small Business Education	
Co-Chair (703) 591-2829	David Neverman Consultant
Co-Chair (301) 731-5300 x2134	Deborah Chevalier Comp. Sci. Corp.
Co-Chair (301) 496-3163	Edward Everitt Natl. Inst. of Health
Budget & Finance (301) 427-3237	Joan Bozzonetti Commerce
Chapter Recognition (703) 875-6923	Jean Bowles State
Student Awards (202) 275-5285	Dianne Guensberg U.S. Gen. Acct. Ofc.
Congressional Lia. (202) 205-6449	Lawrence Rosenbaum Small Bus. Admin.
Private Sector Lia. (301) 731-5300 X2133	Lionel Henderson Comp. Sci. Corp.
Research (202) 566-2861	Marcus Page Treasury
History (703) 695-0947	Judith Boyd Defense
Chapter Proc. & By Laws (202) 287-1393	Mary Lee Mason Treasury
Employment Referral (202) 586-0140	Judi Fuerstenberg Energy
VITA (301) 496-3417	Beverly Kasmarzyk Natl. Inst. of Health
Assistant Treasurer (202) 366-5760	Yash Parekh Transportation
Assistant Treasurer (202) 287-0676	Geraldine Beard Treasury

NEWSLETTER STAFF

Editor-in-Chief (202) 343-0249	Dennis S. Mitchell Treasury
Executive Editor (202) 566-2861	Marcus Page Treasury
Managing Editor (202) 566-6261	Robert Lee Treasury
Associate Editor (202) 566-6261	Brian Lee Treasury

DECEMBER 1991						
SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3 FASAB Meeting	4	5 Wash Chapter Education Event & Luncheon	6 January Newsletter Deadline	7
8	9	10	11 Mont/PG Holiday Special	12 Baltimore Chapter AN/Tax Update	13	14
15	16	17 NOVAGA Chapter Luncheon	18	19	20	21
22	23	24	25 Holiday Xmas	26	27	28
29	30	31				

Schedule of Events

3 - Deadline for Reservations for Washington Chapter Luncheon on the 5th. Call the Chapter Voice Mail (703) 758-4080 to Make Reservations. Non-Members are Welcome.

3 - Federal Accounting Standards Advisory Board (FASAB) Monthly Meeting (9:00 a.m. - 5:00 p.m.), GAO Bldg, Rm 7313. Near the Judiciary Square Metro Stop, on the Red Line. For information call Alice Keels (202) 504-3344.

5 - Washington Chapter Education Event 3 CPE Credits—"Implementing a Controller Function in the Federal Government"—Panel Session 3 or 4 Speakers—Touchdown Club, Registration 7:30 a.m., Session 8:30 a.m., \$60 members/\$70 non-members, includes coffee/donuts and regular luncheon session. Call the Chapter Voice Mail (703) 758-0480 #2 for information and registration.

(This is the first of three sessions: #2—Feb 6, 1992 and #3—April 2, 1992, along with regular monthly luncheons. Register for all three sessions \$150 members/\$180 non-members.)

5 - Washington Chapter Luncheon Features Catalina Vasquez (Cathi) Villalpando, Treasurer of the United States (The Role of the Treasurer), Touchdown Club, 2000 L St., N.W. (Near Farragut West Metro Stop), 11:30 a.m. Social; 12:00 Noon Luncheon. Make reservations by calling the Washington Chapter

Voice Mail (703) 758-4080 by December 3, 1991.

6 - Deadline for submitting articles for the *The Washington Connection* January issue.

11 - Montgomery/Prince Georges Chapter, Holiday Special. Cruise on the Dandy Restaurant Cruise Ship on the Potomac, Alexandria, Va. Members Free, Guests \$50. Board 6:15-6:45, Depart 7:00, Return 10:00. For Information Call Sylvia Jiles (202) 732-5649.

12 - Baltimore Chapter, Annual Tax Update, Social Security Admin., Multi Purpose Room, Baltimore, Md. 2 p.m., Speakers, Carolyn George, H&R Block, and Ron Townsend, State of Md., Inc. Tax Div., Admission—Canned Food Donation for Charity. For Information Call Eileen Bechkes (410) 966-7108.

17 - Northern Virginia Chapter Luncheon Meeting 11:30 - 1:30. For Information call Andrea Walker (202) 619-3066. Members with Reservations \$15. All others \$20.

Washington Chapter Future Luncheon Meetings

January	9*
February	6
March	5
April	2
May	7

Next Meeting Thursday

January 9, 1992*

*Joint Meeting with American Society of Military Comptrollers (ASMC) Touchdown Club, 2000 L Street, N.W.

"Financial Systems: A Look to the Future"

8:00-4:00

Registration 8:00

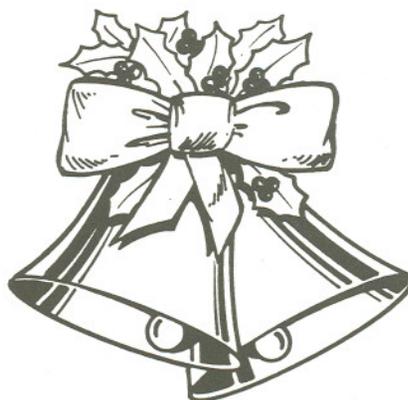
Speakers: 8:30—Frank Hodson—OMB
9:30—Donald Shycoff—Defense
10:30—Jim Blum—Congress CBO
12:00—Robert McCormick—Defense
2:00—Russell Morris—Treasury
3:00—Albert Conte—Defense
Members \$95/Nonmembers TBD

Leadership Conference

Two days; Third Week in January
January 15 & 16, 1992
Wednesday & Thursday

Future Washington Chapter Education Events

February 6, 1992—User Fees & Cost Accounting
April 2, 1992—Annual Acctng. Systems Seminar



DIRECTOR OF THE MONTH



Evelyn A. Brown
Membership Services

Ms. Brown is currently the Chief, Accounting Operations Division—Office of the Secretary of Transportation within the Office of Financial Management at the Department of Transportation (DOT).

Before coming to DOT, Ms. Brown was Director of Accounting with the International Trade Administration at the Department of Commerce (DOC). In addition, she was Chief, General Accounting Branch, as well as the Chief, Accounting Systems Branch with the Urban Mass Transportation Administration (UMTA).

Earlier in her career, she worked as both an operating and a systems accountant with the Maritime Administration. She has approximately twenty-five years of Federal service.

WASHINGTON CHAPTER OF AGA Minutes for October 31, 1991 meeting of CEC.

By Pat Wensel, Chapter Secretary

Call to Order: President Sam Mok called the meeting to order at 11:35 a.m. The Secretary's report for the October 9 meeting was distributed and approved. There were 21 members and one guest in attendance. **President Mok** discussed the order of succession in the event that he is unable to attend a meeting or is de-

layed—President Elect, Immediate Past President, Secretary, and Treasurer. The CEC meetings are expected to start on time.

Treasurer's Report: The treasurer, Warren Cottingham, presented his statement of position as of October 31, 1991. Mike Noble moved and Dennis Mitchell seconded that the treasurer's report be accepted. The motion was passed. The CEC adopted new accounts receivable write-off policy. Executive Board action is required on amounts over \$25. The Treasurer may write-off receivables at \$25 or less. The Treasurer is to report monthly on the status of accounts receivable to include an aging of receivables and collection efforts." Nancy Fleetwood moved and Judi Fuerstenberg seconded that the proposed policy be accepted. The motion was approved.

Committee Reports: *Research*—To date there have been two volunteers, both from Treasury. Mark Page would like to have eight more volunteers representing other agencies to serve on the committee. *Membership*—Evelyn Brown distributed a list of suspended members that were dropped from our roles. Evelyn requested that Council members help contact these suspended members and encourage them to renew their membership. This year's theme is "Go for Two." *Education*—Mike Noble reported that there is an event scheduled for December 5 in conjunction with the luncheon meeting. There was a discussion of locations for educational events and it was decided that the Chapter will charge \$120 for an all-day session and \$60 for a half-day session. *VITA*—A status report was distributed. All members were encouraged to recruit volunteers. *Small Business*—Joyce Charles reported that the current class is going well and that additional classes have been scheduled to begin on April 22 and September 16. *Chapter Procedures*—Mary Lee Mason reported that she will have a draft of the bylaws by the next meeting. *Budget and Finance*—Pat Dews distributed a detailed budget. Directors and Chairs

were asked to review and let Pat know of any problems. We will discuss at the next CEC meeting. *Meetings*—Karl Boettcher reported that 133 attended the October meeting. He has planned the first social hour to be held at the Touchdown Club on the Friday November 8 from 5:30 til... *Newsletter*—Dennis Mitchell discussed the format of the Newsletter. There will be a new column next month—"Talking Points" on issues of current interest. Members expressed concern that many Newsletters are received too late to register for the upcoming meeting. Dennis said that the next Newsletter will be mailed earlier. *Chapter Awards*—The Washington Chapter was the only chapter in this region that made nominations for awards to be given at the Leadership Conference. *Congressional Liaison*—Larry Rosenbaum reported that the Committee will conduct a panel in early December on Implementing Credit Reform. Panelists are expected from OMB, HUD, Farmers Home, Senate Budget Committee, House Operations Committee, and CBO. *Publicity*—Joe Willever reported that Mike Causey will publicize our upcoming meetings in his column, The Federal Diary, in the Washington Post. Joe is updating the agency liaison list. *Chapter Recognition*—Jean Bowles reported that we have attained 3952 points to date. *Regional News*—Doris Chew, Regional Vice-President, announced that there will be regional officer training next May. The training will be coordinated by the Presidents Elect. Doris also requested nominations for National officers.

President Mok announced that the Atlantic Council at 17th and H Streets, N.W. will be the alternate site for the CEC meeting if the Treasury site is not available. President Mok adjourned the meeting at 12:55 p.m. The next CEC meeting will be held on November 27.

TALKING POINTS—THE AUDIT

By Bob Lee Managing Editor

Benefit of an Audit

- Improve the timeliness of the financial statements
- Assure readers the financial information is reliable (integrity & reliability)
- Provide credibility for the financial statements
- Useful in identifying system deficiencies-show problems with administrative system which tracks assets.
- Useful in revealing inadequate controls over the government's assets
- Help determine compliance with legislative and administrative intent and major relevant laws and regulations
- Discipline & Precision

Types of Audits

- Financial
 - "Financial Statement," and
 - "Financial Related."
 - Performance
 - "Economy and Efficiency," and
 - "Program"
- a) Financial Statements Audits Determine:
- Whether the financial statements present fairly the financial condition, results of operations, and cash flows or changes in financial position in accordance with general accepted accounting principles, and
 - Whether the entity has complied with laws and regulations for those transactions and events.
- b) Financial Related Audits Determine:
- Whether financial reports and related items are fairly presented,
 - Whether financial information is presented in accordance with established or stated criteria, and
 - Whether the entity has adhered to specific financial compliance requirements.
- c) Economy & Efficiency Audits Determine:
- Whether the entity is acquiring, protecting, and using its resources economically and efficiently,
 - The causes of inefficiencies or uneconomical practices, and
 - Whether the entity has complied with laws and regulations concerning matters of economy and efficiency.
- d) Program Audits include:
- The extent to which the desired results or benefits established by the legislative or other authorizing body are being achieved,

- The effectiveness of organizations, programs, activities, or functions, and
- Whether the entity has complied with laws and regulations applicable to the program.

THE CFO ACT OF 1990—AN ARGUMENT FOR CENTRALIZED ACCOUNTING

By Clyde G. McShan, II

Among other things, the Chief Financial Officers (CFO) Act of 1990 requires that agency CFO's "develop and maintain an integrated agency accounting and financial management system." The Act also requires that each executive agency prepare and submit to OMB a financial statement reflecting "the overall financial position of the revolving funds, trust funds, offices, bureaus, and activities" of the agency. Agency, as used in the context of the Act, includes the Cabinet level Departments of the Executive Branch of the Federal Government. Given the vast numbers of agencies or bureaus under the aegis of these Departments, this is a formidable task. In this article, we will provide a short history of the development of the Department of Agriculture's Central Accounting System and show how this system has better prepared the Department to meet the Act's requirements.

The Department of Agriculture operates myriad programs which reach to the "grass roots" level of America. Prior to 1962, all administrative processes such as payroll, voucher payments, billings and collections, and accounting and financial reporting, were also decentralized.

The emergence of the computer and the explosive growth of ADP technology in the past 30 years made some of this decentralization obsolete. In 1961, the Department recognized that it could avail itself of the new technology and reduce its resource requirements in the administrative processes while still maintaining strong decentralized program management.

In 1962, the Department embarked on a path of centralizing its administrative processing with the establishment of a central Payroll/Personnel System in New Orleans. This effort resulted in reducing payroll costs and saving over 200 staff years of effort. After successfully operating the Payroll/Personnel System for over a decade, the Department be-

gan a study of the feasibility of centralizing additional administrative processes in 1971.

An interagency task force was established to gather information on the current expenditures (Fiscal Year 1970) for administrative processing and to determine the feasibility of a consolidated payment office for the Department. The task force found that the Department was spending more than \$7 million per year with over 850 staff years devoted to the preparation, review, and scheduling of administrative payment vouchers. The task force also concluded that the Department could reduce this cost by almost half simply by centralizing the payment functions. Their recommendation was to establish, at the earliest practical time, a single consolidated payment office to serve all agencies in the Department. Thus was born the National Finance Center in New Orleans which is the operational arm of the USDA's Office of Finance and Management.

On April 6, 1972, the Secretary of Agriculture issued a memorandum which established that a centralized accounting system would be developed and implemented for the Department. The decision to develop a central accounting system was a logical extension of the centralized payroll/personnel and administrative payment systems. These centralized systems provide the preponderant amount of data used in agency financial management and accounting reports. The decision to develop a central accounting system was based on the fact that meaningful, consistent accounting data was not available at the Department level. At that time, there were 16 different agency accounting systems with varying degrees of automation, all operating with different bases and collectively judged inadequate by the Comptroller General. Independent agency action to improve their financial management and accounting systems had resulted, for the most part, in delays, expensive duplication of effort, and lack of uniform accounting data for Department-level decisions.

The key to the design of the central system had to be uniformity in data collection with flexibility in reporting. The Department adopted the following general concepts for the design of the accounting system:

1. Data will be collected on a uniform, consistent basis throughout the Department.

2. The data will be readily available to all appropriate levels of management.
3. External reporting (reports to Treasury, OMB, etc.) will be standardized and consolidated at the National Finance Center.
4. Internal financial management reports will be tailored to meet individual agencies' needs.

Using these four general design concepts, the Department's Central Accounting System was designed with the following features:

1. The system collects and reports data on the cash, obligation, accrued expenditure, or cost basis as required. This feature provides the uniformity of data collection with the needed flexibility for internal and external financial management reporting.
2. The system has the capability to report on either the monthly or a 28-day accounting cycle. Originally, some of the agencies believed that a 28-day cycle was more meaningful to their operations and that financial reports tied to such cycles provided them more effective management information. However, as of Fiscal Year 1983, all agencies in the system have elected to convert to the traditional monthly accounting cycle. The system has retained the 28-day cycle capability.
3. Actual and planned accomplishment data is accumulated and included on financial management reports produced by the system. This capability enables a comparison of planned and actual costs and accomplishments achieved. It also provides cost-per-unit data for agency programs. Reliable and consistent information of this type was not available in the Department under previous agency reporting systems.
4. The system provides for the flexible accounting coding structure tailored to the specific needs of each agency. This flexible structure is needed to meet the desired internal financial data and reporting required by the many diverse agencies serviced by the system. It allows the agencies to determine the exact organizational levels to which financial reports should be directed and gives them full flexibility over the kinds of information reported to each level. In effect, the Central Accounting System provides the mechanism for

agencies to dictate their precise financial management reporting requirements.

5. The system is built so that extensive computer edits validate all accounting codes at the source of entry into the system. This assures the accuracy of the data and makes financial data reported to the agencies more usable.
6. A subsystem has been developed which provides control over all accountable property. The integration of property accounting with financial accounting provides meaningful property management information on a Departmentwide basis.
7. Remote online access to financial data is provided. An accounting database for inquiry and online standard and ad hoc reporting has been developed. This database provides online access to status of funds information in a timely manner. This database is currently updated weekly, but plans are being made to make updates more frequently.

The first agency implementation into the Central Accounting System occurred in Fiscal Year 1977. Since then, over 40 agencies of the Department as well as eight cross-serviced non-Agriculture agencies have been implemented into the system.

When initially designed, the Central Accounting System had its own General Ledger System with a chart of accounts devised for Department needs. In 1984, the Department anticipated the need for consolidated financial reports for the entire Department. Since the Central Accounting System included only administrative fund accounting, there was a need for a system to merge the results of their programs such as Food Stamps with the administrative cost data. The National Finance Center developed the Departmentwide Financial Information System (DFIS) to address that need. DFIS was developed as an online database system able to accept monthly trial balance data from the program accounting systems to be merged with the administrative accounting data from the Central Accounting System.

When the Standard Chart of Accounts became a reality, the Department had only to revise the chart of accounts used in DFIS to be in total compliance with the Treasury requirements. DFIS has the capability of preparing the standard reports such as the SF-220, Report of Financial Condition, and the SF-133, Report of Budget Execution, at the central location.

The success of the National Finance Center's accounting operation has effectively shown that there are many benefits to having a centralized accounting system and database. Mandated changes for the standardized annual reports to Treasury or for the Report of Budget Execution to Treasury and OMB can be easily and quickly made. The preparation of the consolidated reports anticipated by the CFO Act will be a relatively easy task since only one set of programs will have to be modified. The Department prepared Consolidated Financial Statements for all activities for Fiscal Years 1988, 1989, and 1990 using the data from DFIS. The consolidated statements for Fiscal Year 1991 will be prepared using that system by the March 31, 1992, deadline set in the CFO Act of 1990. The task is made easier because all of the data is readily available in one database operated at the National Finance Center.



WASHINGTON CHAPTER EDUCATIONAL EVENTS

By Mike Noble

December 6, 1991,
February 6, 1992,
April 2, 1992,

In conjunction with monthly luncheons there will be three half-day morning seminars offered by the Washington Chapter.

December 6, will be, "Implementing a Controller Function in Government: Three Case Studies."

February 6 will be a seminar on, "User Fees and Cost Accounting."

April 2 will be the "Annual Accounting Systems Seminar."

All events will be at the Touchdown Club, from 8:30 to 11:30 a.m.; 3 CPEs. Registration starts at 7:30 a.m.

Member cost \$60; Nonmembers \$70; or Members \$150 for the series; Nonmembers \$180. Registration includes the charge for the regular monthly luncheon and speaker.

For information, call me at (202) 566-6670 or the Chapter Voice Mail on (703) 758-4080.

RUMOR CONTROL

By the Mole

FASAB Exposure Draft Number One Goes to the Printer in Record Time?????

MEMBERSHIP ALERT

By Evelyn Brown

Over 100 of our fellow members have not renewed their membership and have been dropped from the rolls by the National Office.

The Membership Services Committee and the Executive Council will follow up with each dropped member to renew their membership and their interest in the Chapter. But, you can help by ensuring that your co-workers have renewed their membership and are actively involved in the Chapter.

As we proceed into 1992 the theme "One on One in 1991" is being replaced with "Try for Two in 1992." If you need assistance, please contact me on (202) 366-0269 or Sue Fields on (301) 496-3417.

Have a safe and happy holiday season.

Byron S. Adams Typesetting and Printing

ASSOCIATION of
GOVERNMENT
ACCOUNTANTS THE WASHINGTON
CONNECTION

P.O. Box 423
Washington, D.C. 20044

FIRST CLASS MAIL—
PLEASE EXPEDITE