

ASSOCIATION of GOVERNMENT ACCOUNTANTS

THE WASHINGTON CONNECTION

Washington Chapter • P.O. Box 423 • Washington, D.C. 20044-0423 • (703) 758-4080 • February 1994

WASHINGTON CHAPTER LUNCHEON MEETING

**THURSDAY
FEBRUARY 3, 1994**

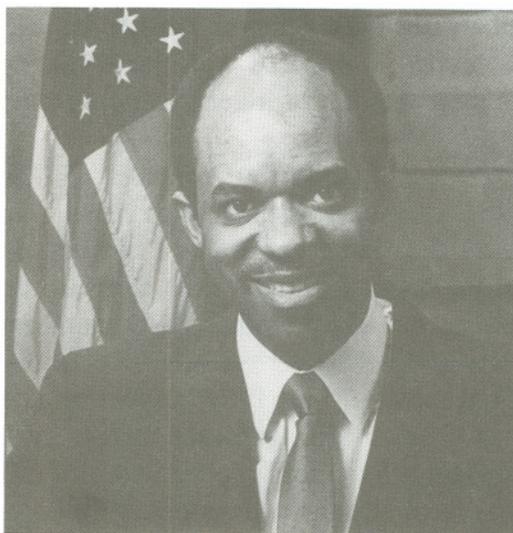
Touchdown Club
2000 L Street, N.W.
(Near Farragut West Metro Stop)

Social: 11:30 (Cash Bar)
Luncheon: 12:00 Noon
Cost: \$16.00 (Members)
\$18.00 (Non-Members)

- Reservations Urged
- Call (703) 758-4080 by
February 1, 1994
- Non-Members are welcome
- No-Shows are expected to pay

LUNCHEON SPEAKER

" AN OVERVIEW OF CONGRESSIONAL
ACCOMPLISHMENTS AND OUTLOOK"



Rep. William J. Jefferson

Congressman Jefferson will share with us his views on the accomplishments of the first session of the 103rd Congress, and the far-reaching, challenging legislative agenda to be considered in the second session.

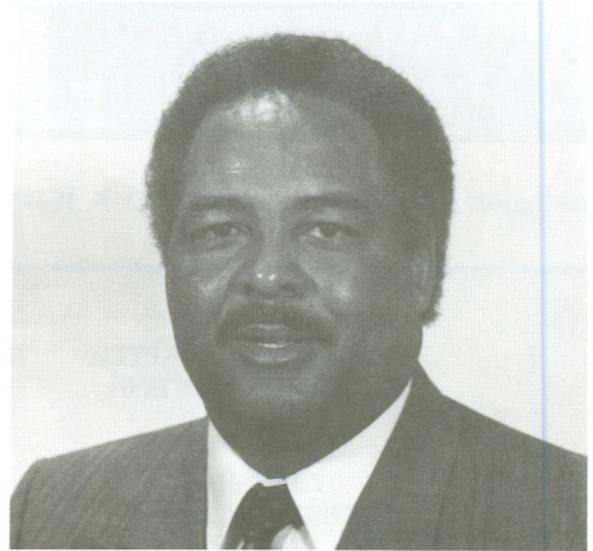
Congressman William Jennings Jefferson won reelection for his second term in the United States Congress as a Member of the U.S. House of Representatives from the Second District of the State of Louisiana on November 3, 1992, and his colleagues elected him to serve on the powerful and prestigious Committee on Ways and Means in the 103rd Congress. As a member of the Committee, Congressman Jefferson serves on the Subcommittee on Social Security. In addition, he serves on the Committee on the District of Columbia and its Subcommittee on Fiscal Affairs and Health and its Subcommittee on Government Operations and Metropolitan Affairs.

During his first term Representative Jefferson served as Whip for the 29 first-term Democrat members of the 102nd Congress and Secretary of the Congressional Black Caucus. He also served as a member of the Education and Labor Committee and the merchant Marine and Fisheries Committee.

Congressman Jefferson is a lifelong resident of Louisiana, and is a graduate of Southern University and the Harvard University School of Law. He is a member of the Louisiana State Bar and the District of Columbia Bar. Prior to his election to the U.S. Congress, Representative Jefferson served three terms as a member of the Louisiana State Senate. He was also a founding partner of the New Orleans law firm, Jefferson, Bryan and Gray.

The President's Message

You may have seen National President Jeffrey Steinhoff's article on establishment of an AGA Certified Government Financial Manager program. The article was published in the January 1994 edition of *Topics* and was somewhat general in the information it conveyed. The certification program was presented to the twelve-member National Executive Committee on December 6, 1993, and was unanimously approved. The following week, President Steinhoff mailed the proposal to members of AGA's National Board of Directors (NBD). The Board includes Chapter Presidents. NBD approval is needed to proceed with the development and implementation of a certification program.



Larry Wilson, President

President Steinhoff's December 13, 1993 letter to NBD members discusses the reasons for implementing a certification program after two decades of consideration. It also transmits both a draft outline of the major features of the certification program which could be launched in 1994 and a ballot asking me and the other NBD members to vote "yes" or "no" by January 31, 1994.

Conceptually, I am fully in favor of a certification program. However, I feel that it is important that I have your guidance before casting my vote. Therefore, I have enclosed a copy of President Steinhoff's letter with this edition of *The Washington Connection*. Please read it. If you have strong feelings either "pro" or "con" please let me know. You can either call me at (202) 720-8345 or send me a fax at (202) 690-2568.

I will ask President Steinhoff to change the ballot due date to February 28, 1994, to provide time for me to receive feedback from you. If that is not possible, I plan to vote "yes" but will urge President Steinhoff to distribute a final proposal for ratification.

VOLUNTEER INCOME TAX ASSISTANCE PROGRAM

Once again this year, the Washington Chapter is participating in the Volunteer Income Tax Assistance (VITA) program by providing volunteers to help in preparation of individual income tax returns for low income, elderly, and other disadvantaged people. We are asking AGA members for their support by volunteering a few hours a week during the program. Though the program has already started, additional volunteers are needed and your services will be deeply appreciated.

Please volunteer by completing and mailing the information sheet on the facing page.

ASSOCIATION of GOVERNMENT ACCOUNTANTS

AGA VITA PROGRAM VOLUNTEER INFORMATION FORM

Please print the following information

NAME _____
ADDRESS _____

ORGANIZATION _____

PHONE NOS. (OFFICE) _____ (HOME) _____

AGA MEMBERSHIP _____ YES _____ NO

PLEASE MAIL TO: WASHINGTON CHAPTER, AGA
P. O. BOX 423
WASHINGTON, DC 20044-0423

Please cut at the dotted line and retain this portion for future reference.

The VITA program is an IRS-sponsored program that involves volunteers like yourself in the preparation of tax returns for low income, elderly, disabled, and non-English speaking taxpayers. IRS provides instructors and training materials free of charge for the volunteer tax preparer.

There is NO LIABILITY associated with the volunteer work. In fact, you do not sign the returns because a VITA program stamp is entered on all completed returns. We recommend that you volunteer a minimum of 10 hours to the VITA program on behalf of the AGA.

The following are some of the specifics regarding service time and location:

<u>VITA Work Site</u>	<u>Program Duration</u>	<u>Service Hours</u>
Martin Luther King Library 901 G St, NW Room A-9/Lower Level Washington, DC	January 20, 1994 to April 15, 1994	Mon. - Fri.; 6:00 pm - 9:00 pm Sat.; 9:00 am - 6:00 pm

If you need additional information, please call Jeff Williams at (703) 305-1551.

THANK YOU FOR PROMOTING AGA IN THE COMMUNITY!

**SUMMARY OF
JANUARY LUNCHEON MEETING**
By Patricia L. Wensel, President-Elect

Ms. Susan Gaffney, Inspector General at HUD, and Mr. Charles Gillum, Acting Inspector General at USDA, were our speakers for the January 6, 1994, Chapter luncheon meeting held at the Touchdown Club. Their topic was, "Audit in a Changing Environment."

Our speakers gave us their views on how the transition of this administration has differed from prior changes of administration; National Performance Review (NPR) issues; and what we can expect in the future.

Major themes stressed in Mr. Gillum's remarks included:

- The current transition has been longer than previous transitions with less apparent involvement of the IG community;
- The administration's primary financial management focus has been on effective CFO Act implementation; and
- The NPR report included several recommendations that would improve IG operations. The PCIE has drafted a new vision statement which reflects NPR recommendations.

Ms. Gaffney urged IG's to:

- Focus more sharply on substantive issues;
- Downscale - reducing layering of review;
- Open themselves to innovation to make the audit function more responsive and responsible; and
- Prioritize work to "make a difference."

**SUMMARY OF DECEMBER 22, 1993
EXECUTIVE COUNCIL MEETING**
By Alan Strelser, Secretary

The following Council members were in attendance: Larry Wilson, Patricia Wensel, Alan Strelser, Patricia Dews, Warren Cottingham, Ronald Adolphi, Jeffrey Williams, Peter Ben Ezra, Bob Buchanan

The principal business topics discussed were:

- Minutes for the November 24, 1993, Council meeting were accepted.
- The engagement letter for the audit of the Chapter's 1992/93 financial statements was received and accepted by President Wilson. The statements should be available by the end of the month.
- Jeff Williams updated the Council on the numerous Community Outreach initiatives and discussed areas where increased involvement would be beneficial.
- A concerted effort will be made to establish a liaison network covering major Federal organizations to improve the dissemination of information and member involvement.
- Additional volunteers are needed for the 1994 Professional Development Conference.

**CHAPTER RECOGNITION
PROGRAM**

Our Chapter has earned 8,638 points in the Chapter Recognition Program through the month of December 1993.

BILLING ASSIST

The Treasurer's Committee is looking for someone to bill the accounts receivable for the Chapter's education events. Such billings average 20 hours to complete the first billing. Our billing format can be set up on a spreadsheet, database, or word processing software. Most information comes from the Government Standard Form 182, AGA Registration Form, or other handwritten information provided by the participant.

If you know a member or a small business that would take on this billing exercise, please contact Judi Fuerstenberg, Chapter Treasurer, at (202) 586-0140 (Office) or (703) 893-3637 (Home).

ASSOCIATION of GOVERNMENT ACCOUNTANTS

December 13, 1993

TO: Members of AGA's National Board of Directors (NBD)

This letter seeks your support of a proposal of great importance to our profession and AGA -- the establishment by AGA of a Certified Government Financial Manager program. Currently, there is no certification program in existence that recognizes the unique and highly technical skills required of government accountants, auditors and other financial management professionals, despite the fact that our organizations constitute the largest enterprises in the world.

Establishment of a Certified Government Financial Manager program has long been discussed by many of AGA's members. Because of the continuing interest and support of our members, which dates back over two decades, and with the rapidly changing complexities of government financial management today, the National Executive Committee (NEC) at its December 6, 1993, meeting, unanimously and enthusiastically supported the immediate adoption of such a program. The NEC is now asking for your support through a mail ballot of the NBD, in accordance with AGA's Bylaws.

Our shareholders -- the American public -- are telling us, loud and clear, that they want greater financial accountability and stewardship. As a vital aspect of reinventing government, financial management is currently receiving intense and long-overdue attention. Today, important new initiatives to reform financial reporting, systems and controls are underway, which have spotlighted the critical need for greatly increased emphasis on the professional qualifications and stature of government financial managers. AGA's members, who represent the many diverse facets of government accounting, auditing, program evaluation and budget analysis, must be ready to meet today's financial management challenges. A Certified Government Financial Manager program would provide a hallmark of distinction and excellence for us as professionals and be of considerable benefit to the government financial community we serve.

A professional certification program would enhance AGA's preeminence in government financial management and the credibility of all government financial management professionals. In addition, the program the NEC envisions would require continuing professional education as a condition of certification renewal, which we believe is a critical component of increasing professionalism. To remain on the cutting edge, we have to be willing to make changes and to expand our horizons. The NEC believes that a certification program, such as we are recommending, will provide our association with the unique opportunity to position ourselves for future professional excellence.

The NEC strongly recommends that AGA aggressively launch a professional certification program in 1994. We pledge to you that AGA will work to support a program which will receive prominent recognition throughout the government financial management community.

The NEC has developed a model which outlines the major features envisioned for the certification program. It is important to emphasize that this model is in draft and the specific features are evolving and subject to additional review and revision. So that you may be informed about the program's major features, a copy of our draft is enclosed.

The NBD's approval is needed to proceed with the development and implementation of a certification program. A ballot on which you may vote on the certification program is also enclosed. Please send your ballot to the National Office before the close of business on January 31, 1994.

I urge you, as a key AGA leader, to endorse the NEC's recommendation, as we work to move AGA and our chosen profession to even greater levels of excellence and to meet the challenges of the American public for financial accountability in government that is second to none. Thank you for your strong support of AGA, and we look forward to hearing from you. Do not hesitate to call me; National President-elect Clyde McShan; Charles Harrison, AGA's Immediate Past President; the other NEC members; or Lee Woods, our Executive Director, should you have any questions or ideas. We are most excited about the prospects a certification program provides to AGA and its members and to the government and the public that we serve.

Sincerely yours,



Jeffrey C. Steinhoff, CPA
National President

Enclosures - 2



ever, AGA, through its national conferences, Education and Research Foundation and regional and chapter seminars, provides a rich mix of high quality educational programs through which CPE may be attained. AGA anticipates expanding these offerings even further to support the program's CPE requirements.

PROGRAM OVERSIGHT & ADMINISTRATION

AGA will establish a formal structure to administer the CGFM program. Upon approval from AGA's National Board of Directors to establish a certification program, the CGFM Board will be created as a permanent entity within AGA's organizational structure. The CGFM Board's responsibilities will be to (1) prescribe qualification standards, (2) establish criteria for and oversee the administration of qualifying CPEs, (3) initiate activities to enhance widespread CGFM recognition, (4) develop a plan to institute a CGFM examination to be a prerequisite for certification, (5) determine areas of study for preparation of CGFM testing and (6) prepare policies and procedures for administering CGFM tests. CGFM Board activities will be funded by CGFM program fees.

PROGRAM FEES

Applications for certification under the CGFM program must be accompanied by a \$195 application processing fee. Applications for biennial certification renewal must be accompanied by a processing fee in the range of \$35 to \$50.



MEMBERSHIP

By Evelyn A. Brown, Director

The Washington Chapter membership scene is progressing at a steady pace in the new year. The "Reinventing Membership" campaign provides the opportunity to benefit new members as well as recognize the support and continuing efforts of sponsor members. It is you, the membership body, that keeps the organization alive and strong. So please keep those requests for membership applications coming. Do not hesitate to call or see me or any of the officers at AGA Chapter activities.

We would like to extend a special welcome to our reinstated and transfer members. Seven colleagues renewed their dues and/or transferred to our Chapter during this reporting period. We are so pleased to welcome the following individuals; we look forward to seeing you at upcoming meetings and activities.

<u>Name</u>	<u>Agency</u>
Scott M. Becchi	Anderson Consulting
Pamela S. Doucoure	
Joseph A. Gelak	
Margaret A. Hunter	Department of Justice
Allen L. Lawrence	
Daniel B. Schmickel	
Carolyn Tucker	

Our Chapter was established in 1950; it is the founding Chapter of the Association. Many of our early members are still members today. To simply say that the

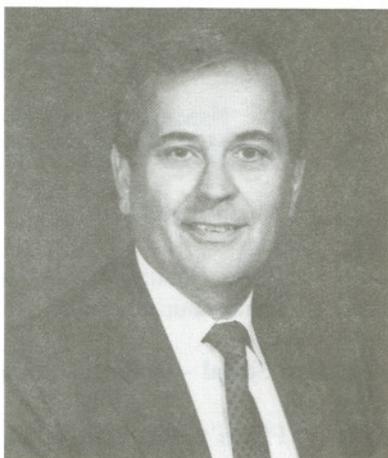
Washington Chapter members have been loyal to the organization is an understatement. I would like to share with you the names of some of our early members and their "Join Dates":

T. Jack Gary, Jr.-1951	Benjamin Selfon-1958
W. Fletcher Lutz-1952	John W. Cooley-1960
John N. Buynitzky-1953	Cornelius E. Tierney-1960
Karney A. Brasfield-1953	David Mosso-1960
Raymond Einhorn-1953	Charles C. Martinez-1960
Clarence R. Jauchen-1953	Audrey B. Dysland-1964
Lawrence M. Eichorn-1954	Elliott H. Forgosh-1964
Arvid C. Anteroinen-1955	Austin J. Ballard-1966
William J. Armstrong-1955	Carroll M. Beck-1966
John C. Ashton-1956	Dorothy W. Dews-1967
Robert B. Brown-1956	John E. Toole-1967
Francis E. Chaney-1956	Irvin H. Adkins-1968
Raymond A. Beaudet-1957	William J. Anderson-1968
Ralph D. Dunavant-1957	Joseph F. Reday-1968
Lewis N. Ludhins-1957	George C. Davis-1969
T. Darrell Verner-1957	Anthony J. Gable-1969
Edward J. Mahoney-1958	Adam T. Shaw-1970

We acknowledge the contributions of those early members and of past members who are no longer with us--contributions and dedication which benefit us today. Thanks to them we have the opportunity to belong to the premier professional organization devoted to continued improvements in financial management.

For membership information or applications, please call me, (202) 366-0269 or Judith Parsons, (202) 874-4781.

FRANK DERVILLE TO RETIRE



Frank Derville, Deputy Assistant Secretary for Financial Management, Department of Veterans Affairs, has announced his mid-March 1994 retirement. Mr. Derville, who was appointed Deputy Assistant Secretary in 1989, is also the Department's Deputy CFO. In this capacity he is responsible for the planning, coordination, management, and oversight of all the Department's financial systems and operations. He also chairs the Federal Financial Managers Council. Mr. Derville is a careerist whose highly noteworthy public service includes positions held in the U.S. General Accounting Office, the National Aeronautics and Space Administration, and the Department of Health and Human Services before coming to the Department of Veterans Affairs. At HHS he was Deputy Bureau Director in the Health Care Financing Administration for six years. There he directed Medicare

program administration, claims payment system development and implementation, resource planning, the Medicare Secondary Payer program and the Parents/Enteral Nutrition reimbursement program. He was also Director of HCFA's Office of Financial Management, where he implemented a new, automated management and reporting

system and revised the methods used to prepare the national Medicaid budget and the medicare contractor budget.

Mr. Derville was also the controller for USM Corporation, Chemical Division, for four years. There he initiated a strategic planning process which expanded profitable product lines, abandoned unprofitable lines, and significantly reduced bad debts expense.

An Ohio native, Mr. Derville graduated from Youngstown State University with a bachelor's degree in public accounting/finance. He is a certified public accountant, a member of the American Institute of Certified Public Accountants, and the Association of Government Accountants. Most recently Mr. Derville served as the Washington Chapter AGA Director of member Services. He also co-authored an article "Addressing the Developmental Needs of a Diverse Organization: HRD Initiatives at the Department of Veterans Affairs" for the Winter 1993/94 edition of AGA's *The Government Accountants Journal*.

Frank Derville's accomplishments quite clearly reflect the creativity and innovation which have earned him his reputation as a consummate professional in the field of financial management.

EMPLOYMENT OPPORTUNITIES

Department of Education

GS-510-14 Systems Accountants; 3 Positions; Announcements 93-278/279/280; Closes 1/25/94; Call (202) 401-0559 for information.

Department of Defense IG

GS-511-13 Auditor; Multiple Openings; Per Diem travel at least 50%; Announcement 041-93-AUD; Closes 1/31/94; Call (703) 695-5508 for information.

Department of Commerce

GS-511-13 Auditor; Announcement OIG-94-03; Closes 1/25/94; Call (202) 482-4948 for information.

Department of Transportation

GS-510-15 Supervisory Systems Accountant; Office of the Secretary; Announcement OST-94-OO1ZM; Closes 1/25/94; Call (202) 366-9392 for information.

Federal Deposit Insurance Corporation

Gs-511-14 (Pay Scale equates to GS14 plus about 20%); Senior Assessment Audit Specialist; Announcement 94-00F-306; Closes 1/26/94; Call (202) 942-3504 for information.

If you know of other opportunities we can publish please call Mike Kess at (202) 377-7675.

UPCOMING CHAPTER EVENTS

Appropriations Law Seminar February 14, 1994

The Washington Chapter is sponsoring a one-day seminar. The morning session will feature a focused discussion that condenses a very complex field to its essential principles. In the afternoon, experts from GAO will identify emerging issues as well as the major pitfalls to avoid. You will then have a chance to apply the principles that you have learned to some specific cases. The format of the seminar will ensure that your specific questions are answered and that you will leave the seminar with a working knowledge of the GAO's Red Book, *Principles of Federal Appropriations Law*.

Please call (703) 758-4080 for more information. Also, watch your mailbox for a separately mailed brochure.

Luncheon Meeting - March 3, 1994

Speaker: Ms. Nancy Gordon, Deputy Director, Congressional Budget Office

Location: Touchdown Club

Time: 12:00 Noon; Preceded by a cash bar social hour at 11:30

Chapter Social - February 10, 1994

Location: Ffuzzi's Restaurant at Union Station

Time: 5:30 - 7:30 pm

Featuring: Complimentary Buffet

USDA CROSS-SERVICING

By Larry Wilson

Director, Office of Finance and Management, USDA

The Winter 1993/94 edition of AGA's *The Government Accountant's Journal* contains an article by Clyde McShan on "Governmentwide Financial Management Centers." It is an article whose major point I agree with; that further expansion of financial cross-servicing would be beneficial. I take strong exception, however, to Mr. McShan's subjective judgment that:

"It is indeed unfortunate that since February 1990 USDA has followed a policy of no further cross-servicing expansion."

In context, the statement appears to suggest that the Secretary of Agriculture's action in agreeing to a moratorium was unwarranted and perhaps capricious. Nothing could be further from the truth.

The agency which I head - The Office of Finance and Management - began to provide services to non-USDA agencies through the National Finance Center (NFC) in 1983. Mr. McShan headed the NFC for my predecessor at the time. The NFC is a self-sustaining business-type activity financed through the USDA Working Capital Fund. Over the next 7 years, annual Center revenues from cross-servicing rose to \$17.9 million or 27 percent of total revenues. At that point, USDA began to rethink its policy position because it became increasingly aware of the non-financial costs associated with rapid growth.

- In spite of intense marketing, potential clients were overwhelmingly opting to use only our Payroll/Personnel System. The marketplace was sending us a message.
- We found ourselves unable to deal with internal Department financial information needs as effectively as we had in the past.
- Various audit and consultant reports pointed out the urgent need to improve our systems and controls. Over a period of years, The General Accounting Office and USDA's Office of Inspector General had found significant deficiencies which were not being remedied.
- The development and operation of the governmentwide Thrift Savings Plan System, which began in 1986, was requiring an ever increasing managerial commitment.

In early FY 1990, we revised our policy on cross-servicing. We stopped accepting new cross-servicing clients and expanding services to existing non-USDA clients unless a prior commitment to the client had been made. The policy change was made after review and approval by the Secretary of Agriculture and the OMB Deputy Director for Management. Because of our decision to honor previous commitments, we have continued to support TSP growth and completed the implementation of both the Departments of Treasury and Justice into the USDA Payroll/Personnel System.

The existence of these major commitments coupled with the increasing rapid growth pattern that had developed also contributed to the moratorium decision. For FY 1993, cross-servicing revenues rose to \$57.2 million or 54 percent of total Center revenues. The Treasury Department and the Federal Retirement Thrift Investment Board will each pay us more for services in 1994 than our total cross-servicing revenues were when we began to seriously consider the current moratorium. The size and complexity of TSP servicing will continue to grow for the foreseeable future.

Honoring our commitment did slow the redirection of resources to fully concentrate on systems modernization. Over the past year or so, however, we have taken steps to strengthen teamwork at the Center, document our problems convincingly, nurture an openness to acknowledging problems and solving them in a cooperative/participative manner, and to develop a plan of improvements with contractor assistance which the new Center Director and I are convinced we can implement over the next 2 years. We are also cooperating fully with the Defense Department in its congressionally mandated study of the feasibility of using the USDA Payroll/Personnel System for its civilian employees. The Secretary of Agriculture, Chief Financial Officer, Assistant Secretary for Administration, and I recognize that it is in the best interest of all parties to lift or modify the moratorium as soon as it becomes reasonable to do so. Our past record unequivocally evidences the sincerity of our intent in this matter.

**AGA WASHINGTON CHAPTER
CHAPTER EXECUTIVE COUNCIL
FOR 1993/1994**

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PRESIDENT-ELECT FCA (703) 883-4029	Patricia Wensel
SECRETARY USDA (202) 720-1179	Alan Strelser
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PAST PRESIDENT Treasury (202) 622-0560	Marcus Page

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Education (202) 401-0207

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Treasury (202) 622-0934

MEMBERSHIP

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