

## 2008 History

After being inactive for several years, several volunteers (Humberto Melara, Sefton Boyars, Paulette Solomon, Arona Maiava, and Willard Stark) met on July 23, 2008 to discuss the revitalization of the AGA San Francisco Chapter. On August 6 and 27, Humberto Melara, Sefton Boyars, Professor Alex Yuen, and Stephanie Mango (Director of CGI, private consulting industry) subsequently tele-conferenced with Bobby Derrick, AGA National President, to further discuss the restart of the San Francisco Chapter. The Chapter also met with Ray Harris from AGA National office on September 18, in the Holiday Inn on Van Ness in San Francisco at 2:00 pm, to discuss the revitalization, when Mr. Harris was in town. The Chapter had the following officers and planned to have its monthly meetings/luncheons on the third Tuesday of every month from 11:30 am to 1:00pm, with its first “kick-off” meeting on October 21, 2008.

President – Humberto Melara  
President Elect – Stephanie Mango  
Secretary – Paulette Solomon  
Treasurer – Amelia Cojuango  
Newsletter Editor – Renee Gradin  
Chapter Recognition Director – Bill Stark  
Membership Director – Terry Ahuruonye  
Education Director – Charles Hester

The Chapter President, Humberto Melara, issued his first newsletter in September announcing the restart of the San Francisco Chapter with the first monthly meeting on October 21 and first training session on November 12, 2008.

### **Monthly Meetings**

The first chapter event, held on October 21, 2008, was a panel discussion by fraud experts on their fraud experience in government programs, at the Department of Homeland Security - Office of Inspector General (DHS-OIG), 300 Ogawa Plaza, Suite 275, Oakland, CA. The panelists included Fred Brousseau, a Principal with Harvey M. Rose Associates, LLC, Robert Adachi, Director of Forensic Audits, EPA OIG, Jan Coover, Assistant Special Agent-in-Charge, DHS OIG, Office of Investigations, and Lori Ahlstrand, Regional Inspector General, DHHS OIG, Office of Audit. The event was free to all attendees and qualified for one-hour of CPE.

At the November 18 meeting, the Chapter’s Education Director, Charles Hester, presented *Yellow Book Impacts*, which qualified for one-hour CPE. Chuck discussed the changes made to Quality Control and Assurance in the 2007 issue of the Yellow Book. The meeting was held at the DOT OIG office, Suite 1825, 201 Mission Street, San Francisco. The Chapter also announced two National AGA audio conferences – *Internal Controls* on November 12 and *21<sup>st</sup> Century Financial Managers* on December 10, 2008.

### **Additional Educational Event**

On November 12, 2008, Sefton Boyars conducted an 8-hour training session on Auditing for Fraud at a low cost of \$125 for members and \$150 for non-members. The training was held at 450 Golden Gate Avenue, second floor in the Hawaii room, in San Francisco.

## 2009 History

### **Monthly Meetings**

Monthly meetings/luncheons were held every third Tuesday at the San Francisco Federal Building at 90 Seventh Street, Room 4-400,(between Market and Mission Street) from 11:30 am to 1:00pm. HHS OIG graciously reserved the HHS conference room (4-400) for all our future monthly meetings. We really appreciate the support they have provided to the Chapter since its revival. Fee was \$10 for member and \$12 for non-members (increased to \$15 in September), including lunch and one hour of CPE. Speakers and discussion topics are summarized below:

<b>Date</b>	<b>Topic</b>	<b>Speaker</b>
January 20	Forensic Audits	Bob Adachi, Director of Forensic Audits, EPA OIG
February 17	A Sweep of Medicare Medical Equipment Suppliers	Steven Zerebecki, HHS OIG
March 17	FEMA's Response to Hurricane Katrina	Matthew Jadacki, Deputy Inspector General, DHS-OIG
April 21	Effective Supervision – Learning From Our Mistakes	Robert (Bob) Gray, retired USDA Regional Inspector General for Audit
May 19	Gender Pay Issues	Brittini Milam, Senior Analyst, and Erin Godtland, Senior Economist, GAO
June	No meeting	
July 21	Independence in Auditing	Harvey Rose, retired financial manager and California Auditor General
August	No meeting	
September 15	Military's Disability Evaluation System	Joel Green, Senior Analyst, GAO
October 20	Oakland Police Department's Office of Inspector General	Paul Figueroa and Kristin Burgess, Oakland Police Department's Office of Inspector General
November 17	American Recovery and Reinvestment Act	Bob Klein, federal grant consultant and retired federal financial manager
December	No meeting	

In January, Bob Adachi, Director of Forensic Audits for the U.S. Environmental Protection Agency (EPA), Office of Inspector General (OIG), shared his experience in forensic audits.

In February, Steven Zerebecki, Senior Analyst and Project Leader at the Department of Health and Human Services (HHS), Office of Inspector General (OIG), shared the findings and recommendations in the HHS-OIG's unannounced site visits to 905 Medicare medical equipment suppliers in the Los Angeles County. The site visits found questionable billing patterns in many suppliers and some suppliers did not maintain a physical facility or were not open during unannounced site visits.

In March, Matt Jadacki, Deputy Inspector General at the Office of Emergency Management Oversight discussed some of the problems his agency disclosed in FEMA's response to Hurricane Katrina. The Office of Emergency Management Oversight was part of the U.S. Department of Homeland Security (DHS), Office of Inspector General (OIG).

In April, Bob Gray, retired U.S. Department of Agriculture (USDA) Regional Inspector General for Audit discussed formal versus information supervisor training. Bob pointed out that the best way to become effective supervisors is to learn from relatively common mistakes made by other supervisors.

In May, Brittini Milam and Erin Godtland discussed two reports published by the General Accountability Office (GAO) on gender pay issues in the private industry and in the federal government. GAO conducted the studies at the request of U.S. senators and House members. Brittini was a Senior Analyst and Erin was a Senior Economist at GAO.

In July, Harvey Rose, a retired financial manager and California Auditor General, discussed the importance of independence in auditing and the Yellow Book independence requirements.

In September, Joel Green, Senior Analyst at GAO, discussed his audit of the military's disability evaluation system. Joel shared the actions taken by the Army to help soldiers navigate the disability evaluation system and the efforts of the Department of Defense and the Veterans Affairs to pilot a joint disability evaluation system.

In October, Captain Paul Figueroa, outgoing Inspector General for the Oakland Police Department and Kristin Burgess, Audit Manager at the Inspector General discussed the reasons for the development of the Oakland Police Department's Inspector General Office as well as its current and future activities.

In November, Bob Klein, a federal grant consultant and retired federal financial manager, discussed the American Recovery and Reinvestment Act (Recovery Act). Bob explained the new rules and regulations, the impact of the Recovery Act on grantees' indirect cost rates, coping with the challenges of the Recovery Act programs, and the grantees' audit exposures.

### **Additional Educational Event**

On February 19, our Education Director, Chuck Hester, conducted an 8-hour training session on Conduct and Ethics Requirements for California Accounting and Auditing Professionals at a low cost of \$125 for members and \$150 for non-members. The training was held at the Department of Transportation OIG conference room on the 18<sup>th</sup> floor of 201 Mission Street in San Francisco.

On May 14, our Meetings Director, Sefton Boyars, conducted an 8-hour training session on Government Auditing Standards Yellow Book at a low cost of \$125 for members and \$150 for non-members. The training was held at the Department of Transportation OIG conference room on the 18<sup>th</sup> floor of 201 Mission Street in San Francisco.

On August 20, our Education Director, Chuck Hester, conducted an 8-hour training session on Assessing Internal Controls at a low cost of \$125 for members and \$150 for non-members. The training was held at the Department of Transportation OIG conference room on the 18<sup>th</sup> floor of 201 Mission Street in San Francisco.

On November 19, both our Education Director, Chuck Hester, and Meetings Director, Sefton Boyars, conducted an 8-hour training session on conducting effective interviews at a low cost of \$125 for members and \$150 for non-members. The training was held at the Department of Transportation OIG conference room on the 18<sup>th</sup> floor of 201 Mission Street in San Francisco.

### **Board Members**

President – Humberto Melara  
Secretary – Deborah Gordon  
Treasurer – Amelia Cojuango  
Newsletter Editor – Renee Gradin  
Chapter Recognition Director – Bill Stark  
Membership Director – Terri Ahuruonye  
Education Director – Chuck Hester  
Meetings Director – Sefton Boyars

### **Vacant:**

President-Elect  
Community Service Director  
Historian  
Webmaster  
Bylaws & Procedures

## 2010 History

### **Monthly Meetings**

Monthly meetings/luncheons continued to be held every third Tuesday at the San Francisco Federal Building at 90-7<sup>th</sup> Street (between Market and Mission Street) from 11:30 am to 1:00pm at the same fee as 2009 (\$10 for member and \$15 for non-members, including lunch). The luncheons qualified for one hour of CPE. Speakers and discussion topics are summarized below:

<b>Date</b>	<b>Topic</b>	<b>Speaker</b>
January 19	Enterprise Risk Management and the Latest Version of the Internal Control Framework Set Forth by COSO	William Ashby, Senior Manager, KPMG
February 16	Everyday Ethics	Courtney Ruby, Oakland City Auditor
March 16	New Rules for California CPAs	Chuck Hester, our Education Director
April	No meeting	
May 18	Internal Bank Fraud Basics	Karen Campbell, Wells Fargo
June 15	Fraud Consideration in Performance Audits	Sefton Boyars, our President-Elect
July & August	No meeting	
September 21	Issues in the San Francisco Bay Area	Phil Matier, Columnist of the San Francisco Chronicle
October 19	Health Care Fraud, Waste, and Abuse	Tim Brady, HHS Regional Inspector General, Office of Evaluation and Inspections
November 16	San Francisco City Services Auditor's Annual Work Plan	Tonia Lediju, Audit Director for the City and County of San Francisco
December	No meeting	

In January, William Ashby, a Senior Manager with KPMG's Internal Audit and Regulatory Compliance Services practice in Sacramento, discussed Enterprise Risk Management (ERM), also referred to as COSO II. The Committee of Sponsoring Organizations (COSO) is the organization that established the internal control framework. ERM provides extra tools for developing and reviewing internal controls. Bill discussed the difference between COSO I and COSO II, how internal control requirements for the Securities Exchange Commission registered companies have changed, reasons for adopting COSO II, and techniques for identifying potential risks and ways to address those risks.

In February, Courtney Ruby, Oakland City Auditor, addressed everyday ethics – a topic of interested to everyone.

In March, our Education Director, Chuck Hester, explained the new ethics training rules for California CPAs.

In May, Karen Campbell, who has been working on fraud prevention for Wells Fargo for over 20 years, discussed internal banking fraud basics. Karen explained Wells Fargo's organizational structure, case management and case history.

In June, our President-Elect, Sefton Boyars, discussed the need to consider fraud in performance audits. Sefton covered the fraud triangle, some characteristics of fraudsters and the audit procedures required under SAS 99.

In September, Phil Matier, a long-time columnist for the San Francisco Chronicle, shared many issues in the San Francisco Bay Area that are of concern to everyone.

In October, Tim Brady, Regional Inspector General at the Department of Health and Human Services (HHS), Office of Inspector General (OIG), covered healthcare fraud, waste and abuse. Tim discussed some of the collaborative examples of the work at the HHS-OIG and how everyone could help to reduce waste, fraud, and abuse in the healthcare system.

In November, Tonia Lediju, Audit Director for the City and County of San Francisco, discussed how the San Francisco City Services Auditor's annual work plan was developed. Tonia explained that the work plan considers responsibilities mandated by the city charter and municipal codes, the results of a limited risk assessment, and input from city management, leadership, and stakeholders.

### **Additional Educational Event**

On April 14, 2010, our Education Director, Chuck Hester, conducted an 8-hour training session on Federal Grant Rules at a low cost of \$125 for members and \$150 for non-members. The training was held at the Department of Transportation OIG conference room on the 18<sup>th</sup> floor of 201 Mission Street in San Francisco.

On October 27, 2010, both our Education Director, Chuck Hester, and President-Elect, Sefton Boyars, conducted an 8-hour training session on Proposed Revisions to the Yellow Book and Effective Assessments of Internal Controls at a low cost of \$125 for members and \$150 for non-members. The training was held in the Nevada room, on the second floor of 450 Golden Gate Avenue, in San Francisco. The training included morning coffee and a free lunch.

### **Board Members**

President – Sefton Boyars  
Secretary – Deborah Gordon  
Treasurer – Humberto Melara  
Newsletter Editor – Richard Melnick  
Chapter Recognition Director – Bill Stark  
Membership Director – Terri Ahuruonye  
Education Director – Chuck Hester

Meetings Director – Linda Gee

**Vacant:**

President-Elect

Community Service Director

Historian

Webmaster

Bylaws & Procedures

A board meeting was held on June 15 at 10 am at the SF Federal Building. All interested members were invited to attend.

On July 24, 2010, the Chapter also announced a free presentation titled “Regional Intergovernmental Dialogue on the American Recovery and Reinvestment Act of 2009” by the Recovery Accountability and Transparency Board in Sacramento on August 30, 2010.



## 2011 History

### **Monthly Meetings**

Monthly meetings/luncheons continued to be held every third Tuesday at the San Francisco Federal Building at 90-7<sup>th</sup> Street (between Market and Mission Street) from 11:30 am to 1:00pm at the same fee (\$10 for member and \$15 for non-members, including lunch). As usual, the luncheons qualified for one hour of CPE.

As an extra perk, AGA member who paid for one or more luncheons in the previous quarter was offered a free lunch at the first meeting of the quarter. For example, members who paid for a luncheon in September, October or November 2010 could attend the January 2011 luncheon for free.

Speakers and discussion topics are summarized below:

<b>Date</b>	<b>Topic</b>	<b>Speaker</b>
January 18	The Riverside Community College Bad Apples	David Bobbitt, our AGA Regional Vice President, and Director of Audits for the Riverside Community College District
February 15	Yellow Book Proposed Changes	Sefton Boyars, our Chapter President
March 15	Risk Assessment	Terry Green, BART's Internal Audit
April 19	Ethics Training Requirements for California CPAs	Chuck Hester, our Chapter's Education Director
May 17	Oakland City Auditor's Fraud, Waste, Abuse and Prevention Program	Sharon Ball, Oakland City Auditor's Office
June, July & August	No meeting	
September 20	Public Pension Fund Risks	Harsh Jadhav & Lyndon Coggin, Alameda County Employees Retirement Association
October 18	Audit of Fraud in a City Pension Fund	Harriet Richardson, Berkeley City Auditor's Office
November 15	The new Yellow Book	Sefton Boyars, our Chapter President
December 13	Federal Financial Fraud Prevention, Detection, and Prosecution	Brian Miller, GSA OIG

In January, David Bobbitt, our AGA Regional Vice President, and Audit Director at the Riverside Community College District, discussed the Riverside Community College Bad Apples. David explained how a disconnected fax number led to the arrest of two tenured professors (who taught Apple computer courses) on over a hundred felony counts of conflict of interest, theft of public funds, grand theft, identity theft, tax fraud and perjury.

On February 15, Sefton Boyars, Chapter President, discussed the proposed changes to the Yellow Book. IN November of the year, Sefton discussed the changes that came about in the Yellow Book that came out later in the year.

In March, Terry Green, Manager of Special Investigations and Audits at BART's Internal Audit Department, explained some of the observations by the Institute of Internal Auditors from surveys of corporate leaders. Terry also discussed steps BART auditors had taken to help reduce organizational risk. Terry gave examples of some major risks that could have been mitigated by risk analysis and audit intervention, and presented some opportunities for identifying organizational risks and assessing their controls.

In April, our Education Director Chuck Hester discussed the new ethics CPE requirements for California CPAs. Chuck also covered the new peer review requirements for California CPAs who issue audit reports.

In May, Sharon Ball from the Oakland City Auditor's Office discussed the goals of the City Auditor's Fraud, Waste, Abuse and Prevention Program, its implementation process and the results to date.

In September, our new Treasurer Harsh Jadhav and his colleague Lyndon Coggin from the Internal Audit Department at the Alameda County Employees Retirement Association discussed public pension fund risks.

In October, Harriet Richardson, audit manager at the Berkeley City Auditor's Office, discuss an audit of fraud in a city pension fund.

In November, our Chapter President Sefton Boyars gave a great presentation on the new Yellow Book.

Our Chapter generally did not hold monthly meetings in December. The year 2011 was an exception. Brian Miller from the General Services Administration (GSA), Office of Inspector General (OIG) discussed the role of federal inspectors general, the U.S. Attorney General's Financial Fraud Enforcement Task Force, and GSA-OIG's outreach efforts to both the public and private sectors about working together to prevent, detect, and prosecute financial fraud.

### **Additional Educational Event**

On February 22, 2011, both our Education Director, Chuck Hester, and President-Elect, Sefton Boyars, conducted an 8-hour training session on Proposed Revisions to the Yellow Book and Effective Assessments of Internal Controls at a low cost of \$125 for members and \$150 for non-

members. The training was held in the Nevada room, on the second floor of 450 Golden Gate Avenue, in San Francisco. The training included morning coffee and a free lunch.

On November 16, our Chapter President Sefton Boyars conducted an 8-hour training session on Government Audit Standards — 2011 Internet Version at the same low cost of \$125 for members and \$150 for non-members as the previous year. This time, each participant was offered a monthly Chapter luncheon meeting for free within six months of attending the class. Participants who were not members of AGA could also receive a \$25 rebate if they joined AGA within six months of attending the class. The training continued to be held at the DOT-OIG conference room on the 18<sup>th</sup> floor of 201 Mission Street in San Francisco.

### **Other Chapter News**

The October newsletter announced the speakers for the National AGA's Seventh Annual Performance Management Conference on November 3 & 4, 2011. The newsletter also advertised an Assistant City Auditor vacancy at the City of Oakland.

Due to drop in attendance at the monthly meetings, our Chapter President requested feedback from members in the December newsletter.

### **Board Members**

President – Sefton Boyars  
Past President – Humberto Melara  
Treasurer – Harsh Jadhav  
Chapter Recognition Director – Bill Stark  
Membership Director – Terri Ahuruonye  
Education Director – Chuck Hester  
Meetings Director – Linda Gee  
Webmaster - Lynn Ha

### **Vacant:**

President-Elect  
Secretary  
Community Service Director  
Historian  
Newsletter  
Bylaws & Procedures

The board met informally a number of times during the year, often when three or more Board members attended one of the monthly meetings.

## 2012 History

### **Monthly Meetings**

For the December 2011 monthly meeting, we offered some fee reduction incentive to encourage attendance. It was a huge success! We had about 40 attendees – the best turnout since we revived the chapter in 2008!

For 2012, the board decided to enhance the incentive. The fee was reduced to \$5 for members or \$10 for non-members. As usual, the fee included lunch (a sandwich, a soda, and a cookie) and one hour of CPE. Starting in May, we also offered the option to attend the meetings without getting the lunch at no cost for members and \$5 for non-members. In addition, an AGA members who paid to attend a luncheon meeting in September, October, and November of 2011, were offered the January 2012 luncheon for free. AGA members who attended and paid for a luncheon in April, May, June, or September were offered the October luncheon for free.

Monthly luncheon meetings continued to be held at the San Francisco Federal Building at 90-7<sup>th</sup> Street (between Market and Mission Street) from 11:30 am to 1:00pm. Speakers and discussion topics are summarized below:

<b>Date</b>	<b>Topic</b>	<b>Speaker</b>
January 17	Corporate Fraud	Bill Buchanan, Cannon Street, Inc
February 12	Pension Oversight	Ralph McClane, DOL OIG
March 21	OMB Grant Proposal	Sefton Boyars, our Chapter President
April 18	Keeping a Lid on Fraud, Waste and Abuse	Courtney Ruby, City Auditor of Oakland
May 16	Inspection and Evaluation Tools	Tim Brady, HHS OIG
June 20	Auditing after Disasters	Humberto Melara, DHS OIG
September 19	Top 10 Problems in Procurement	Greg Matayoshi, IntelliBridge Partners
October 17	Soft Controls	Sefton Boyars, our Chapter President
November 28	Yellow Book Compared to Inspection Standards	Tim Brady/Lori Ahlstrand, HHS OIG

In January, Bill Buchanan, former FBI agent for 27 years and Co-founder/Vice-President of Cannon Street, Inc., shared a number of fraud cases he worked on and provided us with a private investigator's perspective on corporate fraud.

In February, Ralph McClane, Audit Director for Employee Benefit Security Program at the Department of Labor OIG and a former President for our AGA chapter, made an excellent presentation on pension safety.

In March, Sefton Boyars, our Chapter President and former Department of Education's Regional Inspector General for Audit, discussed the OMB's proposed changes to grant rules and regulations.

In April, Courtney Ruby, City Auditor of Oakland, discussed her efforts to fight fraud, waste and abuse at the City of Oakland.

In May, Tim Brady, the U.S. Department of Health and Human Services (HHS) Regional Inspector General for Evaluation and Inspections, provided an overview of the techniques, processes, and analyses used by the HHS-OIG in fulfilling its mission to reduce fraud, waste and abuse and improve effectiveness and efficiency of the HHS programs.

In June, Humberto Melara, our Chapter Past-President and the U.S. Department of Homeland Security (DHS) OIG's Director for the Office of Emergency Management Oversight, shared his insight in auditing costs during and after a major disaster.

No monthly meetings in July and August due to summer vacations.

In September, Greg Matayoshi, President for the AGA Sacramento Chapter and a consultant for IntelliBridge Partners, provided his insight on the top 10 procurement and inventory management issues.

In October, Sefton Boyars, our Chapter President, discussed the control environment, which internal auditors refer to as "soft controls".

In November, Lori Ahlstrand and Tim Brady, two Regional Inspectors General for HHS, discussed and compared the Yellow Book auditing standards and the Quality Standards issued by the Council for Inspectors General on Integrity and Efficiency.

### **Additional Educational Events**

To continue the chapter's practice of providing high-quality low cost training for the Bay Area audit community, we provided 3 quarterly 8-hour CPE courses at the same low rate of \$125 for members and \$150 for non-members as the previous year. This fee included lunch and morning coffee. These courses continued to be held at the DOT-OIG conference room on the 18<sup>th</sup> floor of 201 Mission Street, San Francisco.

- On February 8, due to popular request, Sefton Boyars, our Chapter President, brought back his one-day training on the *Government Audit Standards — 2011 Internet Version*.
- On May 23, Sefton provided a session on *Developing Audit Findings*.
- On December 5, Chuck Hester, our Chapter Education Director, conducted a class on *Performance Measurement: Developing, Using, and Reviewing Measures*.

### **Member Spotlight**

Our chapter newsletters presented Meetings Director Linda Gee's profile in the spotlight for the October issue and Webmaster Lynn Ha for the December issue.

### **Board Members**

President – Sefton Boyards

Past President – Humberto Melara

Treasurer – Harsh Jadhav

Chapter Recognition Director – Bill Stark

Membership Director – Terri Ahuruonye

Education Director – Chuck Hester

Meetings Director – Linda Gee

Communications Director – Annie Louie (joined the board in July 2012)

Webmaster - Lynn Ha

### **The following offices were vacant:**

President Elect

Secretary

Historian

Community Services

Bylaws & Procedures

Newsletter

The board met informally a number of times during the year, often when three or more Board members attended one of the monthly meetings.

## 2013 Events

### **Chapter Awards and Recognitions**

Our Chapter won first place in AGA's national newsletter contest. Bravo to our Communications Director Annie Louie! Every newsletter looked perfect and showed the theme for the month.

The Chapter also received AGA Silver Level Chapter Recognition award at the National Professional Development Conference (PDC). A big thanks to Sefton Boyars for his leadership and Bill Stark for his diligence in reporting the Chapter's activities.

### **Community Service Activities**

In October, our Directors of Community Service Sandra Gan and Connie Tan kick-started our Chapter's community service activities. Sandra and Connie announced volunteering opportunities at the Project Open Hand, Salvation Army, and Meals-on-Wheels.

### **Monthly Meetings**

Monthly luncheons continued to be \$5 for members and \$10 for non-members. This price included a sandwich, drink, bag of chips, and a cookie, plus one hour of CPE. Attendees also had the option to attend the meetings without ordering lunch at no costs for members and \$5 for non-members. AGA member who paid for one or more luncheons in the previous quarter was offered a free lunch at the first meeting of the quarter.

Monthly luncheon meetings continued to be held at the San Francisco Federal Building at 90-7<sup>th</sup> Street (between Market and Mission Street) from 11:30 am to 1:00pm. Speakers and discussion topics are summarized below:

Date	Topic	Speaker
January 16	Federal Healthcare Issues	Richard Spector, HHS
February 20	Mortgage Fraud	Paul Richard (HUD)
March 20	Yellow Book Independence Standard	Harriet Richardson, Berkeley Auditor's Office
April 17	OMB's Proposed Changes to Federal Grant Rules	Sefton Boyars, AGA San Francisco Chapter President
May 15	Conference Costs and Other Issues	Brian Miller, Inspector General of GSA
June 19	Using Agreed-Upon Procedures Engagements in lieu of Performance Audits	A.J. Major III, lead partner with Vavrinek, Trine, Day & Co., LLP and Chair of the CalCPA Government Accounting and Auditing Committee
July & Aug	No meeting	
September 19	Protecting Personal Health Information	Tim Brady, HHS Regional Inspector General for Evaluation and Inspections

October	No meeting	
November	A Performance Audit of SF Muni	Mark Tipton, Winnie Woo, and Pat Scoggin at the San Francisco Controller's Office
December	No meeting	

In January, Richard (Rick) Spector from the U.S. Department of Health & Human Services (HHS), a veteran in the healthcare area for over 35 years, discussed the federal health care programs, including the Affordable Care Act, and how these programs would affect the Medicare and Medicaid beneficiaries. Rick also offered some strategies for reducing health care costs, improving health care quality, improving the timeliness and accuracy of Medicare and Medicaid eligibility determinations, and improving techniques to inform beneficiaries of changes in eligibility and coverage.

In February, a special agent from the U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), Paul Richard discussed mortgage fraud schemes and some of the detection methods.

In March, Harriet Richardson, a manager at the Berkeley Auditor's Office, discussed the evolution of the Yellow Book independence standard. Harriet also discussed steps to ensure compliance with the independence requirements of the 2011 revision the Yellow Book, particularly when auditors provide "non-audit" services.

In April, our Chapter President Sefton Boyars discussed OMB's proposal to combine all federal grant and cooperative agreement rules into a single document, known as the "Supercircular". The Supercircular would include the administrative rules, cost principles and single audit requirements.

In May, Brian Miller, Inspector General of the General Services Administration (GSA), discussed conference costs and other issues. Brian shared some details on the GSA conference scandal, which hit the national news in 2012. Brian also provided some pointers on how to prevent and detect questionable activities in the future.

In June, AJ Major, the Chair of the CalCPA Government Accounting and Auditing Committee, explained when it is more effective and efficient to use agreed-upon procedures engagements in lieu of the traditional performance audits.

As usual, there was no monthly meeting in July and August due to summer vacation.

In September, Tim Brady, HHS Regional Inspector General for Evaluation and Inspections, explained what we should know and do to protect our personal health information (PHI). The HHS-OIG has conducted a series of audits and inspections and identified major concerns related to privacy, breach, security, and outsourcing of sensitive data. Tim discussed efforts the HHS has taken to protect PHI.

The October monthly meeting was cancelled due to federal government-wide furlough.



In November, Mark Tipton, Winnie Woo, and Pat Scoggin of the San Francisco Controller's Office shared the findings and recommendations of their recent performance audit of the San Francisco Municipal Transportation Agency. The audit found that Muni needs to improve staffing planning and training in order to meet its need for transit operators.

### **Additional Educational Events & Materials**

Due to the federal budget sequestration, federal agencies across the board experienced training fund shortages. To help AGA members meet their CPE requirements, the Chapter continued its practice of providing high-quality low cost training. We provided quarterly 8-hour CPE courses at the same low rate of \$125 for members and \$150 for non-members as previous years. The fee included lunch and morning coffee. These courses were held either at the DOT-OIG conference room on the 18<sup>th</sup> floor of 201 Mission Street in San Francisco or the San Francisco Federal Building at 90-7<sup>th</sup> Street.

- On February 27, our Chapter Education Director Chuck Hester conducted a class on conducting effective assessments of internal controls. Chuck discussed the nature, functions, and scope of internal controls, including the COSO Integrated Framework updated in 2013.
- On May 22, our Chapter President Sefton Boyars conducted a class on OMB's proposal to combine all federal grant and cooperative agreement rules into a single document, known as the "Super-circular". This includes the administrative rules, cost principles and single audit requirements.
- On August 20, our Education Director Chuck Hester conducted an ethics class to help members meet the California CPA licensing requirements. This class included 2.0 Hours Regulatory Review, 4.0 Hours General Behavioral Ethics, and 2.0 Hours Technical CE (Government/Fraud)
- On November 13, our Chapter President Sefton Boyars provided training on conducting effective interviews.

The January newsletter discussed the most significant change made in the 2011 revisions of the *Government Auditing Standards* (the Yellow Book). This change was the independence standards.

The February newsletter discussed Governmental Accounting Standards Board (GASB) Statement No. 69, *Government Combinations and Disposals of Government Operations*, which was approved on January 8, 2013.

In the May newsletter, our Chapter President Sefton Boyars wrote an article "*Interviewing: The Power of Two*". Sefton explained the importance of having two interviewers. Examples of the advantages of having a second interviewer include accurate recording of responses, effectively generating follow-up questions, and observing body language.

In the June newsletter, we published a summary of Governmental Accounting Standards Board's Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. GASB 70 provides accounting and financial reporting guidance to state and local governments

that offer nonexchange financial guarantees and for governments that receive nonexchange financial guarantees on their obligations.

Our national chapter hosted the following member-only webinars. Each webinar was worth one hour of CPE.

- June 6 - *Following the Rules: Public Retirement Plan Compliance*
- November 13 - *Prevent, Detect and Mitigate Fraud in Your Organization*

### **Other Chapter News**

The Chapter donated a fruit basket (approximately \$150) to the National PDC

In the May newsletter, we advertised CGFM review materials and AGA's 62nd Annual PDC: *Big Challenges, Bigger Thinking* from July 14 to 17, 2013, at the Gaylord Texan & Convention Center in Dallas, TX. We also noted that the Institute of Internal Auditors had updated the Building Awareness Toolkit and that the Professional Ethics Executive Committee released an exposure draft of a revised AICPA Code of Professional Conduct on April 15.

In the June newsletter, we advised members that CGFM was looking for participants for its *Job Analysis Survey*; AGA and the National Grants Management Association had released the *Online Candidate Assessment Tool for Grants Management Professional*, a free, state-of-the-art, online resource designed by AGA and the National Grants Management Association to help hiring managers assess candidates for grants management positions; The Committee of Sponsoring Organizations of the Treadway Commission issued its *2013 Internal Control–Integrated Framework*; the Office of the Inspector General, Office of Emergency Management Oversight, U.S. Department of Homeland Security was hiring entry level auditors. We also noted that the *San Francisco Examiner* reported that San Francisco made about 500 data sets available to the public on its online open data portal, and expected to add thousands more as an effort to implement the *Citywide Coordination of Open Data Policy and Procedures* legislation.

In the July newsletter, we advertised the Guide to Implementation of GASB Statement 67 on Financial Reporting for Pension Plans, which was available at [gasb.org](http://gasb.org).

The September newsletter announced that the AGA National Chapter had new member recruitment scholarship funds available upon request. Each local chapter was eligible for a minimum of \$100. An additional amount might be added based on the size of the chapter.

The October newsletter announced that various AGA research publications were available to members on-line. The *Thought Leadership Library* includes more than 30 research studies, surveys, and executive reports on all aspects of government financial management.

The November newsletter advertised the AGA CGFM on-line study guide. We also advertised the Republic of the Marshall Islands' Office of the Auditor-General's request for proposal. The solicitation was for proposal to provide training and consultation in performance auditing of government entities, programs, functions, and activities.

In the December newsletter, we published the National President's message regarding AGA's proposal to change our official name to *Association of Government Accountability* and that AGA was taking a survey on this proposed change until December 20. We also announced AGA's mentoring program which allowed AGA members to find a mentor through AGA's on-line network. In addition, we advertised the Certified Government Financial Manager (CGFM) certification program and the GASB 67 Implementation Toolkit.

## **Member Spotlight**

Our chapter newsletters presented the following member profiles in the spotlight:

- January - Education Director Chuck Hester
- February – Membership Director Terri Ahuruonye
- March – Treasurer Harsh Jadhav
- July – Community Service Director

## **Board Members**

President – Sefton Boyars

Past President – Humberto Melara

Treasurer – Harsh Jadhav

Chapter Recognition Director – Bill Stark

Membership Director – Terri Ahuruonye

Education Director – Chuck Hester

Meetings Director – Linda Gee

Communications Director – Annie Louie (joined the board in July 2012)

Webmaster - Lynn Ha

Historian – Lela Wong

Co-Directors for Community Service – Sandra Gan and Connie Tan

### **Vacant:**

President-Elect

Secretary

Bylaws & Procedures

The board held meetings in April (at the California Culinary Academy) and November (at Bistro10UN) at the U.N. Plaza in San Francisco. We discussed the Chapter's finances, future meetings and training sessions, community services, and miscellaneous Chapter plans.