



The Working Papers

Chapter Newsletter

Advancing Government Accountability

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AGA National Web Site
www.agacgfm.org

Prosecuting Government Fraud

PROFESSIONAL DEVELOPMENT MEETING

Wednesday
January 18, 2012

Topic: Prosecuting
Government Fraud

Speaker:

Jeffrey Nedrow,
Assistant United States
Attorney in the Northern
District of California

Time: 11:45 AM - 1:00 PM
1 hour CPE credit

Meeting Place:

Pedro's Restaurant
3935 Freedom Circle
Santa Clara, CA 95054
(408) 496-6777
(off Freeway 101 & Great
America)

www.agasiliconvalley.org

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Our invited guest speaker for the January 18, 2012 Professional Development Luncheon Meeting is Jeffrey Nedrow, Assistant United States Attorney (AUSA) in the Northern District of California, US Department of Justice. Jeff has been an Assistant United States Attorney since December 1994, and has worked in the San Jose Branch since March 1995, prosecuting narcotics and white-collar cases. Prior to receiving his appointment as an AUSA, he was a Special Assistant United States Attorney in the San Francisco office assigned to oversee the law clerk program and prosecute misdemeanor cases arising from federal jurisdictions in the San Francisco area. He is a graduate of Stanford University and UCLA School of Law.

Jeff will cover the topic on Prosecuting Government Fraud. Join us! By the end of this meeting, you will be able to gain knowledge and understand the importance of this topic to your work. Take advantage of this training opportunity offered to you, within your reach.

Major Surprises in the Bay Area Economy

Tracy G. Herrick, Chief Economist Emeritus, Avid Bank (Palo Alto) spoke at our November 16, 2011 Professional Development Meeting. He presented a highly informative and thoughtful discussion regarding the economy. Opening with a prediction that property prices would be up in Santa Clara County, Mr. Herrick explained his prediction came with expectation of many more millionaires as a large number of start-ups obtain funding in the ensuing months.

He also shared his thoughts about this election year which he thinks will see an increase in the stock market despite the possibility of a Greek default in the Euro zone; albeit an unsettling possibility, he would expect that once the impact of such a default is assessed, stock prices would respond favorably. And with stronger economic conditions, the election could be closer than most people now anticipate.

Using graphs and data during his presentation, Mr. Herrick showed that the economy had operated at unsustainably high levels during 2004 to 2006. Thinking that we are past the liquidation phase of the correction, he noted that recently money supply growth has increased to the highest rate in 40 years which should provide for a favorable economy in the months ahead. *Summarized by: Tab T. Tsukuda*

AGA SILICON VALLEY CHAPTER BOARD OF DIRECTORS

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View Board of Directors' Profile at
<http://www.agasiliconvalley.org/Board.pdf>

President's Message



Welcome to a New Year ... 2012! As most local governments in the Silicon Valley have finished their December 31, 2011 deadlines, we are in the calm before the storm. Recently upheld California legislation (redevelopment agencies) will have a significant impact this first quarter on local governments all over the Bay Area and the State, as will the changing environment and landscape of government. This Chapter's mission of educating governmental professionals stays at the forefront.

We want to thank Mr. Herrick for his November presentation of "Major Surprises in the Bay Area Economy," a very interesting and timely topic. As for the New Year, we are continuing to schedule high powered and informative Professional Development Meetings, such as the plans laid out for the first quarter. For January through March, we intend to sponsor the following: **January**, "Prosecuting Governmental Fraud," a presentation by Jeffrey Nedrow, Assistant United States Attorney in the Northern District of California; **February**, "Tax Update, Audits and Tax Fraud Prevention," a presentation by Brenda Voet, Technical Assistant, California Franchise Tax Board; and **March**, "Mini-Conference on Fraud," four (4.0) hours of CPE covering various topics on Fraud by several presenters.

We hope you will join us for the upcoming meetings and consider the benefits of joining the AGA as a member!

*David G. Bullock, CPA
President*

Happy Martin Luther King, Jr. Holiday!

"Life's most urgent question is: what are you doing for others?" - Martin Luther King, Jr.



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of [AGA Silicon Valley](http://www.facebook.com/pages/Association-of-Government-Accountants-Silicon-Valley-Chapter/155230834512684)
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View events and photos

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GASB News Release

GASB Proposes Financial Projections for Assessing Economic Condition of Governments

GASB, Norwalk, CT, December 6, 2011—The Governmental Accounting Standards Board (GASB) today proposed that state and local governments should present five-year projections of cash inflows, cash outflows, and financial obligations that would accompany their financial statements as required supplementary information. The objective of this requirement is to better enable taxpayers, bond holders, and other interested parties to assess a government's financial health.

The GASB is seeking public comment on its proposals, which are outlined in Preliminary Views, *Economic Condition Reporting: Financial Projections*. Based on its research and input from financial statement users, preparers, and auditors, the GASB believes that the following information is necessary to assist users in assessing a government's economic condition:

- Projections of cash inflows and cash outflows, with explanations of the known causes of fluctuations.
- Projections of the financial obligations, including bonds, pensions, other postemployment benefits, and long-term contracts, with explanations of the known causes of fluctuations.
- Projections of annual debt service payments, including principal and interest Narrative discussion of governments' dependencies on other governments to provide its services.

"The GASB is issuing this document for public comment because of significant concerns expressed by users of state and local government financial reports regarding the importance of understanding whether governments are on a financially sustainable path," said GASB Chairman Robert Attmore. "The current economic downturn has emphasized what has been known for a long time: information is not always publicly available regarding the financial challenges facing governments."

The GASB proposed that financial projections should be (a) based on current policy, (b) informed by historical information, and (c) adjusted for known events and conditions that will affect the government's finances during the projection periods. Governments would be required to present projections for at least the next five fiscal years. The projections would be reported as required supplementary information following the notes to the financial statements.

The GASB is seeking public comment on the Preliminary Views through March 16, 2012. The full text of the Preliminary Views is available for download at www.gasb.org.

Public Hearings

The GASB will host two public hearings to obtain feedback on the Preliminary Views from interested individuals and organizations:

- March 29, 2012, 8:30 a.m. PDT, in Los Angeles, California
- April 17, 2012, 8:30 a.m. EDT, in New York City.

More details, including instructions for registering to participate in the hearings, visit www.GASB.org

Call For Leadership Nominations

Join AGA Silicon Valley Chapter Leadership Team!



Period July 1, 2012 – June 30, 2013

The Nominating Committee of AGA Silicon Valley Chapter is seeking chapter member volunteers to serve in the Chapter Leadership (Officers and Board) to serve ensuing Fiscal Year 2012-13 (July 1, 2012 – June 30, 2013):

- President Elect
- Treasurer
- Secretary
- Board of Directors (6 positions)

Talented networks of chapter volunteer leaders will assist you in these positions, so the task is not as daunting as it might first appear. This is a great opportunity to expand your leadership skills while serving your chapter. By joining the Chapter Executive Board, you will gain intangible leadership benefits and the opportunity to participate in the Chapter's decision-making process. It is convenient to attend a Board Meeting; the Board meets once a month, every first Wednesday of the month, at lunch time through a Teleconference and communicates mostly on emails.

Qualifications and Eligibility—To serve in the chapter Leadership positions, candidates must be AGA members in good standing (pay annual AGA membership dues) and have professional backgrounds for each position.

Submissions—All submissions are sent to the Nominating Committee, which will choose the slate of candidates. Nominating Committee's slate will take office effective July 1, 2012. Your nomination should provide the following: Name, employment and position, contact information, and statement describing what you would strive to accomplish as member of the Chapter Leadership. Self nomination is highly encouraged.

For More Information— If you are interested in serving your professional organization or know of potential leaders, send email and submit nomination to David Bullock at Dbullock@mgocpa.com or Alex Guiang at agasiliconval@sbcglobal.net.

Deadline to submit nomination - February 15, 2012

Silicon Valley Chapter Membership Drive

If you are not a member of AGA yet, you can sign-in as new member at this month's Professional Development Meeting or when you register to attend the meeting. You will then receive a \$20 or 21% discount on your membership dues. Once you sign-in as new member, you are entitled to pay the member's meeting registration rate, which is additional \$15 saving. Overall, you will save \$35. In five meetings you will recoup your membership dues by paying only the member's registration fee.

Take advantage of this membership drive. This is a good deal! Download AGA membership application from <http://www.agasiliconvalley.org/> and email to agasiliconval@sbcglobal.net.

Minutes of Chapter Executive Board Meeting

Meeting Date: January 4, 2012, 12:00 PM (Board meeting was held through a Teleconference)

Meeting started on 12:05 pm.

In attendance – David Bullock, Kris DeLisle, Alex Guiang, Benjamin Lau, Dat Nguyen, Grace Ragni, and Tab Tsukuda

Secretary's Report – Written report for 11/2/2011 meeting provided by Ben Lau, Secretary.

President's Report – David thanked Grace for organizing the voluntary work performed during December 2011 for Christmas Giving Trees. Grace provided a summary of the community service event. Written President reports to be provided by 1/6/2012 to Alex and Dat for the January 2012 Newsletter.

Treasurer's Report – Updated report as of 12/31/2011 to be provided by Kris by 1/18/2012 for January Newsletter.

New Business:

- 1/18/2012 event – Jeffrey D. Nedrow, Assistant U.S. Attorney for the Northern District of California
 1. Topic: Prosecuting Government Fraud
 2. Tab arranged for this speaker and presentation date/time confirmed.
 3. Reservation at Pedro's made by Ben
- 2/15/2012 event - Speaker from Franchise Tax Board
 1. Tab to confirm with speaker on topics. (Update: Topic – Tax update, audits and tax fraud presentation, Speaker - Brenda Voet, Technical Assistant, California Franchise Tax Board)
 2. Reservation at Pedro's Restaurant to be made by Ben by 1/6/2012.
- March 2012 Mini-Training Conference
 - a. Suggested topics – Forensic Technology, Fraud Investigation, Compliance and Controls, Reporting of Fraud
 - b. Proposed date - 3rd Wednesday of March 2012 (March 21, 2012)
 - c. 3-4 hour training to provide 4 hours of CPE and reasonable amount of time for networking between participants
 - d. One suggested time slot will be registration started at 12:00, training starts at 1:00 and ends at 4:30
 - e. 3-4 speakers preferred
 - f. Potential attendees – Internal auditors, fraud investigators
 - g. Price setting for the event - \$75 for nonmembers, \$50 for members. Consider bundling with membership for marketing purpose
 - h. Summary information will be circulated between Board members for review.
- Sectional Leadership Meeting at Las Vegas – March 18-19, 2012
 - a. 4 Board Members will be sponsored for this event - all travel expenses are reimbursable by AGA National
- National AGA Conference at San Diego – To be held in July 2012

Next Board meeting date/time: February 1, 2012. Luncheon meeting at a San Jose local restaurant. Location/Time TBD. Meeting Adjourned at 12:55 pm. – *Submitted by Benjamin Lau, Secretary*

Register to attend the January 18, 2012 Meeting

Topic: Prosecuting Government Fraud

Speaker: Jeffrey Nedrow, Assistant United States Attorney of Northern California

Make reservation by contacting:

Dat Nguyen, CGFM, CMA – dnguyen@agasiliconvalley.org

Ben Lau, CPA – blau@mgocpa.com

Place: Pedro's Restaurant, 3935 Freedom Circle, Santa Clara, CA. Tel. (408) 496-6777
(Off Freeway 101 and Great America)

Cost: AGA Member/Retiree - \$20, Non AGA member - \$35, Student - \$10

To cancel registration, please provide 24-hour notice to any of the contact persons above or you will be billed for a "no show".

Food Selection:

1. Chicken burrito
2. Chile Verde (Pork)
3. Chile Colorado (Beef)
4. Beef tostada
5. Veggie burrito

AGA Silicon Valley Chapter Treasurer's Report November 30, 2011

	<u>Checking</u>	<u>Savings*</u>	<u>Total</u>
Balance, October 31, 2011	\$1,375.52	1059.67	\$2,435.19
Sources:			
PDM Receipts	240.00		240.00
Uses:			
Pedro's Restaurant - PDM	(301.58)		
Wreath/Flowers	<u>(104.32)</u>		
	<u>(405.90)</u>		<u>(405.90)</u>
Balance, November 30, 2011	<u>\$1,209.62</u>	<u>\$1,059.67</u>	<u>\$2,269.29</u>

* \$1,000 has been restricted as an emergency reserve.

Upcoming Chapter Professional Development Meeting/training

February 15, 2012	FTB Tax Update, Audits and Tax Fraud Prevention
March 21, 2012	Mini Conference on Fraud & Internal Control
April 18, 2012	Property Market Condition - Santa Clara County Assessor (tentative)
May 16, 2012	Fighting Fraud in Today's Technology (tentative)
June 13, 2012	Investing in today's market conditions (tentative)

AGA 61st Annual Professional Development Conference & Exposition

Mark your calendar for **July 29–August 1, 2012** and make plans to join us in San Diego, California for AGA's 61st Annual Professional Development Conference & Exposition (PDC)—the premier education and networking event for government financial managers and accountability professionals. The theme for this year's conference is "Navigating the Winds of Change."

The PDC is the authoritative source for the knowledge and contacts you need to succeed in today's constantly changing environment. Offering 24 CPE hours, the conference covers the latest research and information about the hottest topics in government accountability. Hear the experts speak on the battle to lower improper payments, long-term budget projections and financial systems innovations. Update your knowledge on the latest pronouncement from GASB, FASAB, GAO, AICPA and OMB, among others.

	<u>Fax/Mail</u>	<u>Online</u>
AGA Member :		
Early (By June 29)	\$800	\$775
Standard	\$900	\$875
Nonmember:		
Early (By June 29)	\$1,000	\$975
Standard	\$1,100	\$1,075

To register, visit - <http://www.agacgfm.org/pdc2012/index.htm>.

CGFM Review Course

- CGFM Intensive Review Course will take place after the National Leadership Training in Washington, D.C. from 8:30 a.m. – 5:30 p.m. on Monday, Feb. 27, and Tuesday, Feb. 28, 2012. The CGFM Examinations will be offered by appointment only on February 29 –March 2, 2012. For details, visit http://www.agacgfm.org/nlc_2012/cgfm_exams.htm.
- AGA Northern California Chapters are planning to offer CGFM Review Course in May 2012 to be held in Sacramento. Watch for details!

Names of active CGFMs published in AGA National Web Site

AGA National has published the list of CGFMs in active status. The list is not all inclusive as some CGFMs may request not to have their name published (it also may not reflect the new CGFMs who earned their designation within the last four weeks).

If you are not able to find someone on the list or if your information is different from the information on the list, please contact Katya Silver at 703.684.6931, ext. 305 or ksilver@agacgfm.org. If you are an active CGFM and you do not wish your name to be included on this list, please contact the AGA's Office of Professional Certification via email (agacgfm@agacgfm.org) or fax (703-562-0361). This list is updated periodically and may not reflect the most recent changes to the individual CGFM records. To view the list, visit, <http://www.agacgfm.org/cgfm/active.aspx>.

Why Earn the CGFM?

Since its inception in 1994, the CGFM has become the standard by which government financial management professionals are measured. Its education, experience and ethics requirements have served to elevate the most seasoned financial professionals. More than 15,000 individuals have received the designation so far. Now it's your turn. Experience the benefits of certification first hand—the CGFM is the mark of excellence in your profession. We look forward to adding your name to our distinguished list of Certified Government Financial Managers.

GIVE YOURSELF AN EDGE OVER YOUR COMPETITORS

Recent research has shown that employers attribute their recruiting difficulties to a shortage of qualified professionals. Give yourself a competitive advantage by showing your commitment to lifelong learning. You need a credential that shows you are qualified and have the skills to lead. The Certified Government Financial Manager (CGFM) does this like no other credential.

The CGFM is the first certification broad enough to cover the whole field of government financial management—federal, state and local. It measures a wide range of knowledge and skills that a professional needs to succeed in the federal government financial environment, or to meet the unique challenges faced by state and local government financial managers.

The foundation of the CGFM is the requirement for Education, Experience and Examination. Building on this foundation is a **Code of Ethics** and required Continuing Professional Education (CPE). This designation is already recognized as a professional standard. Each year, more and more federal agencies and state and local governments are realizing the value of the CGFM and are formally embracing the designation. It is often listed as a preferred hiring qualification on federal RFPs. The Institute of Internal Auditors (IIA) Board of Regents has also recognized the CGFM. It is accepted as a waiver for part IV of the CIA examination.

TOWARD THE FUTURE

The challenge facing today's government financial managers is to keep up with the changing times. New innovations, new regulations and new methods of implementation require staying abreast of the latest developments. AGA presents a dynamic program of educational events every year that will expand your knowledge and sharpen your skills. The field of government financial management will be far different tomorrow from what it is today. Having a broad knowledge and a recognized professional designation will be the way to distinguish yourself from the crowd.

There's no time like the present for joining the thousands of other leaders in government financial management who already have discovered the unique value and benefit of the CGFM designation.