



# The Working Papers

## Chapter Newsletter

*Advancing Government Accountability*

VOLUME XXXVIII, ISSUE 2

December 2010

AGA National Web Site  
[www.agacgfm.org](http://www.agacgfm.org)

### Fraud Detection: Case of Abuse of Authority, Collusion, Conflict of Interest & Override of Controls.

#### PROFESSIONAL DEVELOPMENT MEETING

Wednesday  
January 19, 2011

**Topic:** Fraud Detection: Case of Abuse of Authority, Collusion, Conflict of Interest & Override of Controls

**Speaker:**

David Bobbit, AGA  
Regional Vice President,  
Director of Internal Audits  
for Riverside Community  
College District

Time: 11:30 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)

See page 9 to register

[www.agasiliconvalley.org](http://www.agasiliconvalley.org)

Our invited guest speaker for January 19, 2011 Professional Development Luncheon Meeting is **David Bobbit, CGFM, CIA, CPA**, AGA Regional Vice President, Director of Internal Audits for Riverside Community College District, and a part time instructor at Cal State San Bernardino.

David Bobbit is the Director of Internal Audits for Riverside Community College District and is a part time instructor at Cal State San Bernardino. David has also worked in several other accounting and auditing positions over the past 30 years including the City of Redlands, County of San Bernardino, Southern California Edison, and Inland Empire Utilities District, David was also a trustee for a \$5 billion pension fund. He attended Cal State San Bernardino and received a Bachelor of Arts in 1980 and Master of Business Administration in 1985. He is a Certified Government Financial Manager, Certified Internal Auditor, and Certified Public Accountant.

David also has held numerous positions in AGA at chapter and national level that include chapter president of Inland Empire of CA (1996), Regional Vice President of Western Region (1998), Host Committee Chair of PDC in San Diego (2006), and Regional Coordinator for Membership (2003-2009). He has been a member of AGA for twenty-three years starting in 1987.

In his free time, David enjoys spending time with his wife (also an AGA member) and daughter, who is attending the University of La Verne. David is also an avid golfer and has just completed his second marathon.



### Holiday Greetings!

Best Wishes to our AGA Members and  
Friends!

Thank you for your support and  
participation!

#### Inside Pages

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## AGA SILICON VALLEY CHAPTER BOARD OF DIRECTORS

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

## MEMBER SPOTLIGHT



**Ellen Porshneva** is new to AGA and new to our Silicon Valley Chapter. She is also a new member of our Chapter Board of Directors.

Ellen received a Bachelor of Science in International Relations and Economics from University California in 2008. She is the Captain of the Women's Basketball Team of University of California Davis from 2006 to 2008 and was in the Dean's List in 2003 and 2005. She speaks multi-languages that include Russian, Byelorussian and French.

She is the Office Manager for Ibota, Inc, where she coordinates the bookkeeping and administrative office operations. She previously worked for Gavin, Cunningham & Hunter Law Offices in San Jose, California as Assistant Manager and Accounting Clerk. Ellen enjoys doing community service. She had rendered voluntary service as in-home support program participant at the Blind Center in Santa Clara, California, as counselor and caregiver at Children's Shelter at Minsk, Belarus, and as coach and mentor at Youth Summer Basketball Camp in Davis, California.

After attending our chapter's social event last May 5, 2010, she got interested in AGA and signed in as a member. And when the nomination for the members of Board of Directors came to her attention, she volunteered to be a part of the chapter's leadership. Ellen is the Chapter's new Board Secretary. In addition to her role, Ellen humbly takes care of the monthly meeting registrations, prepares CPE certificates and keeps record of the CPE sign-in sheet. These tasks are critical support to our Chapter's Continuing Education Program. Ellen is the first person you can see at the monthly professional development meeting, greeting you with big smile and asking you to register. We appreciate Ellen's enthusiasm to serve our chapter and members.

Thank you Ellen for your services and hard work!

## Zero to Breakthrough! Living a Breakthrough Life

### Unleash the personal leadership power needed to take your life to the next level!

Attendees at the AGA's 59<sup>th</sup> Professional Development Conference & Exposition (PDC) in Orlando, Florida were treated to an energetic presentation on Tuesday afternoon July 13, 2010 by **Vernice Armour**, America's first African-American female combat pilot. Arriving on stage in a flight suit, bomber jacket and ho rah Marine Corps attitude to the tune of "Danger Zone," Armour spoke for nearly an hour on finding the tools and talents within to enable what she calls a "breakthrough life."

In relating a story about a harrowing incident from her combat days in Iraq, Armour said, "Sometimes you have to break off, think about what you're going to do, and then come back and re-engage." Stories like this, she said, are going on every day. She asked PDC attendees to keep the men and women serving overseas as well as those yet to go in their thoughts and prayers. She requested a show of hands among the veterans in the audience and thanked them for their service. "Wow," she joked, "I thought we were all accountants."

The key to a breakthrough mentality and life, she said, is "one mission, one goal, one team." We've all heard of the zero mentality: We can't do that, that's not how we do it here, that's not in the budget, etc. A breakthrough mentality asks: What do we have to do to get it done? Successful people, she said:

- don't make excuses,
- make a commitment to the commitment,
- execute, review, recharge and re-attack.

There are only two ways to succeed, she said: the first time or again. If you don't succeed the first time, you do it again until you make it.

People like to ask Armour if she encountered many obstacles on her path to being a pilot. "Flight school was hard," she said. "Officer candidate school was hard, but everyone has obstacles. The key is to acknowledge the obstacle. Don't give it power."

A breakthrough mentality, she said, truly does create a breakthrough life. "It's all about the passion, that stuff deep down inside itching to get out," she said. "If you don't do it, you don't feel complete. There is a purpose in that passion. I like to call that passion your blessing. But those blessings aren't for us to keep but to share." Passion and purpose, she said, lead to positive steps.

She showed a photo of the attack helicopter she used to fly with scores of ammunition lying before it, noting that all the ammunition can be used by the helicopter crew, but not at the same time. "Now you are that attack helicopter," she said, "and all your skills and experience are available to be loaded up and used. AGA is just waiting to load you up for that next mission, for whatever it is that you are called to do. It's your talents, skills, abilities that make you who you are."

Armour told a story about wanting to play the trombone in high school and having to persuade her parents, who wanted her to play the flute, to let her try the trombone. Long after she'd begun with the flute, she found an old trombone in her family's garage and later taught herself to play it. She went on to hold several all-state positions as an accomplished trombone player. "Everyone has a

## Zero to Breakthrough! Living a Breakthrough Life

*(Continue from page 3)*

trombone in their garage,” she said, pointing to the skills, talents and gifts waiting to be loaded up for the next mission.

Prepare for your passion, she said. “If you aren’t where you want to be, what do you have to do to get there?”

Access and exposure helps. For the leaders and managers, what are we giving our team access and exposure to? How are we equipping our team to be better and to break through to that next level? Five minutes in a tent with another African-American woman in a flight suit changed her life, Armour said, adding she doesn’t know the woman’s name or who she was or anything else about her, but she made a huge impact.

In discussing mentoring, she broke the word into the following lessons:

- M: Mission
- E: Education
- N: Networking
- T: Team
- O: Outstanding Leadership
- R: Role Model

After achieving her longtime goal of joining the police force, she tripped on a crack in the sidewalk on her second day on the job while pursuing a suspect. Rather than take the time to worry about who might’ve seen her fall or the hole in her new uniform pants, she got up and took off running. “When you fall down, you get back up and take off with 100 percent of everything you have inside,” she said. “We’ve all had cracks that jump up in front of us, seemingly in the middle of the night, but we know what we have to do. Are you using breakthrough mentality or zero mentality? A breakthrough mentality creates a breakthrough life.”

Armour spent a few years on the police force, but she couldn’t get that woman in the flight suit out of her head. She headed for Quantico, VA, where she went through Officer Candidate School before moving to the West Coast for flight school. Less than 365 days after the morning of Sept. 11, 2001, she was flying over Iraq.

In the midst of her first tour in Iraq, she took a tactical test and bombed it, which made her feel like an utter failure and took her off the fast track in the pilot program. She passed the test the following week, but that didn’t matter to her. “I wanted to pass it the first time when everyone was looking. I wanted to be on the fast track. I felt like I had let myself down as well.” She did another tour in Iraq and then went to Quantico to become a diversity officer at the Pentagon. Armour found a whole new career path in diversity training. “People get paid to talk?” she said upon hearing of this possible new career path. “Now that might be something I’d be interested in.”

She was still, however, obsessing about that test she had failed. Later she was able to determine that she wouldn’t have discovered a satisfying new career path or been there when her father died if she had passed that test. “What an amazing blessing to be there when my dad passed away,” Armour said. “Failing that tactics test put me in the room with my dad that day. I wouldn’t change anything about that test.”

## Zero to Breakthrough! Living a Breakthrough Life

(Continued from page 4)

As she spoke, Armour removed the flight suit to reveal a business suit underneath. "Why did I change my clothes?" she asked. "Life is about transition. Everything in that flight suit is in this flight suit," she said referring to her business suit. "We're all in our flight suits sitting in the cockpit waiting to take off. Where we fly to is up to us. I like to say who needs a runway? Take off from where you are. Everything we have and need is inside of us."

Even though she is no longer in the military, Armour said, that experience prepared her for where she is now. "You can't see the picture from inside the frame," she said.

*-This Article is a reproduction from the PDC Daily Blog which was written by Christina Camara, Marie S. Force and Jennifer I. Curtin of AGA National Office Staff.*

## 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 month's membership drive. This is a good deal! See application form and member's benefits list, which are included in this Newsletter, and send an email to [AGASiliconVal@sbcglobal.net](mailto:AGASiliconVal@sbcglobal.net).

## NEW AGREEMENT WITH BECKER EDUCATIONAL PROGRAMS

### Calling All CPA Candidates



Becker Professional Education programs and the AGA have renewed their annual cooperation agreement this month. This agreement provides AGA members with discounts for using Becker review classes. If you are a federal employee, Becker will provide a discounted rate of \$1930 for the CPA Exam Review full four part course. New for 2011 is a larger discount of \$ 600 (increased from \$300 in 2010) off the list price for AGA members that are State and Local Government employees. If you are an AGA member but not a government employee, Becker provides a \$300 discount off the list price. All AGA members receive the Becker CPA Flashcard at no charge. The agreement also provides that AGA members may receive a discounted rate of

\$150 per person per year for an agency sponsored direct bill CPE Distance Learning subscription and a discount off the list price for the Stalla Chartered Financial Analysts Review System. You must identify yourself as an AGA member when registering with Becker.

## From the Editor

AGA Silicon Valley members are encouraged to send news articles for the Newsletter - *The Working Papers*. We also want to know what you are doing (i.e. promotion, new job, community service, etc.). Email your article(s) by the first day of the month to the Editor, Dat Nguyen, at [dnguyen@agasiliconvalley.org](mailto:dnguyen@agasiliconvalley.org).

**AGA Silicon Valley Chapter  
Chapter Program Plans  
Program Year 2010-2011**

**CGFM Plan**

- Promote CGFM program through the Chapter Monthly Professional Development Meetings, Newsletters and Web Site.
- Assist CGFM Chapter Members to meet the 80 hours of continuing professional education (CPE) every two years in government financial management topics or related technical subjects.
- Publish CGFM members' achievements in the Chapter Newsletter and website.
- Offer a \$100 CGFM Scholarship to each first 5 chapter members who attended CGFM Review Classes or sit for the CGFM Exam.
- Partner with other professional organizations or governmental entities to promote the CGFM designation.
- Encourage CGFM renewals through personal contact, chapter newsletters and chapter website.
- Recognize local CGFM's by using the CGFM designation in chapter publications, name tags, etc.
- Invite non-CGFM's government finance staff in the area and form CGFM study group.
- Publicize new CGFM's in the chapter newsletter and local publications.
- Contact City Mayors & County Supervisor in Silicon Valley to declare a CGFM month in March 2010 in their locality, to increase awareness for the CGFM designation.

**Membership**

- Chapter will continue to offer a \$20 membership discount to new members.
- Chapter will revisit the meeting and training registration fees with the objective of making it more attractive, economical, and competitive with other professional organizations, i.e. offer discounted registration fee to chapter members to attend the monthly professional development meetings and training.
- Chapter will offer a free meeting registration for new members on their first attendance to a professional development meeting.
- Chapter will follow up with ex-members who have not renewed their membership.
- Publicize and welcome new members in the chapter newsletter.
- Circulate chapter newsletter to government finance professionals who are not AGA members to encourage AGA membership.
- Chapter will participate in career fairs to introduce AGA and attract new members
- Chapter will offer exceptional training and continuing education program to encourage membership
- Chapter will hold a social hour to attract new members and reactivate old ones.
- Promote AGA membership to local finance managers and their organization through personal contacts or sending them AGA membership invitation.
- Participate in the AGA National's Membership Campaign Program.
- Chapter will promote outreach program to business and accounting students at San Jose State University.

**AGA Silicon Valley Chapter  
Chapter Program Plans  
Program Year 2010-2011**

(Continued from page 6)

**Community Service Plan**

- Chapter will participate in the food bank by encouraging members to bring canned foods and unopened grocery items at the professional development meetings.
- Chapter will provide services to InnVision Shelter House or Homeless Shelter by serving hot meals.
- Chapter will donate \$100 to the AGA National Charitable Campaign at the Annual Professional Development Conference.

**Education Plan**

- Chapter will continue with the monthly luncheon meetings providing 1 CPE hour credit for professional development.
- Chapter will put together a one-day conference (6 to 7 CPE hours) that will feature topics relating to government financial management or related technical subjects.
- Partner with other professional organizations, governmental entities or organization to offer one-day training.
- Chapter will participate in the AGA National's audio conferences.
- Find & invite good speakers with good topics to encourage members' participations to the meetings and training.
- Chapter will offer quality educational training program that includes the following topics:
  - Annual Financial Report to the State Controller's Office
  - ARRA reporting
  - Fraud
  - GAAP Updates
  - Auditing Updates
  - Risk Assessments
  - Ethics
  - Performance Reporting

**AGA Silicon Valley Chapter  
Treasurer's Report  
November 30, 2010**

|                                  |                 |
|----------------------------------|-----------------|
| Cash in Bank, October 31, 2010*  | \$ 2,199        |
| Sources:                         |                 |
| Membership Fees                  | 30              |
| Uses:                            |                 |
| Web Hosting Fees                 | (78)            |
| Cash in Bank, November 30, 2010* | <u>\$ 2,151</u> |

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

## AGA Members on the Move

# congratulations

Two members of AGA Silicon Valley Chapter moved up to higher positions. Vinod Sharma was recently appointed as Director of the Agency's Finance with the County of Santa Clara, while Edwin S.W. Young was appointed as City Auditor for the City of Honolulu.

Vinod Sharma served as the County's Controller-Treasurer for couple of years prior to his appointment as the Director of Finance. He has over 31 years of experience in the field of accounting and finance through employment in public sector, public accounting, and private industry. Vinod has worked for the County for the past twelve years. Prior to joining the County, he



served as an experienced internal auditor with Valley Transportation Authority. Earlier, he successfully managed his own public accounting business in the Silicon Valley for over seven years. Prior to establishing his CPA Firm, Vinod worked for Vargas, Cruz & Patel, CPAs. He holds a Bachelor of Science degree in Accounting & Finance at the Delhi University in India and is a certified public accountant in California. He has been an active member of AGA since 2007. He also served as member of the Board of Directors of AGA Silicon Valley Chapter in 2008 and 2009.

As the Director of the Finance Agency, working with County Executive, Vinod formulates the County's financial strategies, serves as the chief accounting officer, and directs the diverse fiscal activities of the County. He is also responsible for financial and administrative planning, and oversees divisions within the agency including the Controller-Treasurer, Tax Collector, and the County Recorder.

What is a perfect reason to move to the island of paradise? Retire and get a job! That is what



happened to an AGA Member, Edwin Young. Edwin S. W. Young was appointed Honolulu City Auditor for a six-year term that began on May 1, 2010. Upon retiring from City of Palo Alto, Edwin moved to Honolulu, where he lucked out and ended up as City Auditor. He formerly served as Senior Performance Auditor for the City of Palo Alto. During his nine years at Palo Alto, the City through the team efforts of the City Auditor's Office received the 2009 Association of Government Accountants' Service Efforts and Accomplishments (SEA) Circle of Excellence Award, becoming the first U.S. city to achieve five years of excellent reporting.

While working at City of Palo Alto, he received continuing professional education by participating in the monthly professional development meetings and trainings offered by AGA Silicon Valley Chapter. He has been an active member of AGA since 1999.

As the City Auditor, Edwin is responsible for promoting accountability, fiscal integrity and openness in city government. His office examines the use of public funds, evaluates programs and activities, and provides timely, accurate and objective analyses, options and recommendations to decision makers in order to ensure that the city's resources are being used effectively and efficiently to meet the needs of the public. He is currently writing the first SEA report for Honolulu.

Edwin Young is a Certified Government Financial Manager (CGFM), a Certified Internal Auditor (CIA), and a Certified Fraud Examiner (CFE). He also holds Masters in Business Administration and Information Systems Analysis.

## Planning to attend the January 19, 2011 Professional Development Meeting

**Topic:** Fraud Detection: Case of Abuse of Authority, Collusion, Conflict of interest & Override of Controls

**Make reservation by contacting:**

Ellen Porshneva, Email: [elporshy@gmail.com](mailto:elporshy@gmail.com), (408) 393-4181 or  
Jerry Gandara, [rose101@ix.netcom.com](mailto:rose101@ix.netcom.com), (408) 499-5766

**Cost:** AGA Member/Retiree - \$25, Non AGA member - \$35, Group Discounts (5 or more) – Member Rate \$25, Student - \$10

**Food Selection:**

1. Chicken burrito
2. Chile Colorado (beef) or Verde (pork)
3. Flauta Gringa (chicken)
4. Comida del Mar (crab enchilada)

**Meeting Place:**

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

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

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## Upcoming Professional Development Meeting February 16, 2011

**Topic:** Grants & Other Agreements: Administration and Audit Requirements

**Speaker:** Charles W. Hester, Sr., CGFM, CPA, CFF, CFE, CFS. Charles (Chuck) is a retired Western District Inspector General and Audit Manager for the Federal Emergency Management Agency (FEMA).

## JOB OPENINGS

Federal Jobs, visit <http://www.usajobs.gov/>

**Controller-Treasurer** – \$141,774.88 - \$181,929.28 Annually DOQ ([www.sccjobs.org](http://www.sccjobs.org))

**Interim Director of Finance** – \$9,449.18 - \$12,262.43 per month  
([www.cityofpetaluma.net/hr/opportunities.html](http://www.cityofpetaluma.net/hr/opportunities.html))

**Finance Manager** – City of Walnut Creek, \$90,947 - \$127,312 ([www.walnut-creek.org](http://www.walnut-creek.org))

## Chapter Executive Board Meeting Minutes

**Meeting Date: December 1, 2010, 12:00 PM (Board meeting was held through a Teleconference)**

**Call to Order**

In Attendance:

David Bullock, Kristine DeLisle, Alex Guiang, Grace Ragni, Ellen Porshneva

Absent:

Jerry Gandara, Linda Hildebrant, Dat Nguyen

**Approval of minutes:**

Minutes for November and December Board Meetings will be reviewed and approved during January meeting.

**President's Report**

DB is working on finishing President's Message.

**Treasurer's Report**

Working on transferring Signature Authority on the account (Grace R. and Kris D.).

**Old Business:**

I. Bylaws Amendments by January 2011 – restructure Board composition: Limit number of Board Members; Nominate Officers to be chosen by Committee made up of President, President Elect and Immediate Past President.

II. Joint Training with ILEAA on Risk Management in spring 2011. Suspend regular Wednesday training the month of Joint Training.

**New Business:**

Monthly Professional Development Meeting (PDM):

1. December 8, 2010 PDM – Audio Conference 5 people attended (including 2 Board Members – Kris D. and Alex G.)
2. Discussed planning matters, attendance concerns, announcements, etc.

Other Business

- Possibly consider Sponsorship (appearing on AGA SVC Website and Newsletter)
- AGA Annual Professional Development Conference in Atlanta, July 10-13 (free 5 days hotel accommodation).
- Ask Dat N. to send out Newsletter with President's Message when it's complete.
- Member Recognition by December 31<sup>st</sup> on AGA Website with Member ID and Initials

## Chapter Executive Board Meeting Minutes

(Continued from page 10)

### Upcoming Events

- January 5th Board Meeting (Teleconference) at Noon
- January 19, 2011 Professional Development Meeting –
  - Speaker: David Bobbit, CGFM, CPA
  - Topic: Fraud Detection: Case of Abuse of Authority, Collusion, Conflict of interest & Override of Controls
- February 16, 2011 Professional Development Meeting
  - Speaker: Charles W. Hester, CGFM, CPA
  - Topic: Grants & Other Agreements with Federal, State & Local Governments: Administration and Audit Requirements.
- February 2, 2011 Board Meeting (Teleconference) at Noon
- March 2, 2011 Board Meeting (Teleconference) at Noon

**Adjournment** – At 1:00 PM



The National Leadership Conference (NLC) brings together a stellar lineup of respected government financial management and accountability leaders to share valuable insight, proven strategies, lessons learned, and discuss the newest management techniques and the most recent information on always-changing standards and regulations.

Stay on top of issues that affect you. Sessions cover current issues relating to the *American Recovery and Reinvestment Act*, the effects of political transitions, and what the future holds. This event also features the newest tools and innovations to help agencies do their jobs more easily and more effectively.

Don't miss this opportunity to earn 14 CPE hours, share best practices, find solutions to shared challenges, network with your peers and learn from the top financial management leaders and industry experts.

Join us **Feb.17–18, 2011** at the Ronald Reagan Building and International Trade Center in Washington, D.C. and show your commitment to a more accountable future. To register, visit - <http://www.agacgfm.org/homepage.aspx>.