



SILICON VALLEY
CHAPTER

The Working Papers

Chapter Newsletter

Advancing Government Accountability

VOLUME XXXVI, ISSUE 6

March 2009

PROFESSIONAL DEVELOPMENT MEETING

March 19, 2009
Thursday

Topic:
Audit Committees

Speaker:
Ann-Marie Hogan,
CIA, CGAP
City Auditor, City of
Berkeley

Time: 11:30 AM - 1:00 PM
1 hour CPE credit

Meeting Place: Biltmore
Hotel, 2151 Laurelwood
Rd, Santa Clara, CA
95054
(408) 988-8411
www.hotelbiltmore.com

(Off Freeway 101 & Montague
Expressway)

See page 14 to register

Audit Committees: How to start them, improve them, and use them to improve internal controls and accountability



The invited speaker for the March 19, 2009 Professional Development Meeting is **Ann-Marie Hogan, CIA, CGAP**, City Auditor, City of Berkeley.

Ann-Marie was elected city auditor for the City of Berkeley in 1994 and re-elected, without opposition, in 1998, 2002, and 2006. A graduate of the University of California at Berkeley, she has served as Board Member and Advocacy Committee Chair for the Association of Local Government Auditors (ALGA). She is Certified Internal Auditor (CIA) and Certified Government Auditing Professional (CGAP).

Ann-Marie assisted with recent updates to ALGA's *Model Legislation Guidelines for Local Government Auditors* and *A Government Official's Guide to Establishing a Performance Audit Function*.

She has conducted training and public education at ALGA training events on best practices for local government audit and audit committees for the League of California Cities and a number of city councils and other legislative bodies in California. She recently assisted the City of San Diego in its two-year effort to establish an independent Audit Committee, and restructure the city's audit function for enhanced independence and accountability.

She was a principal author of the Institute of Internal Auditor's *A Government Official's Guide to Establishing a Performance Audit Function*. Her office has conducted audits of police staffing, emergency dispatch, police overtime and leave usage, and asset forfeiture and special enforcement unit accounts. Ann-Marie also serves on the Mayor's audit committee for the City of Berkeley, assisting in the screening and selection of the audit firm for the annual financial statement audits.

At this month meeting, Ann-Marie will talk on the audit committee's best practices, its independence and importance, and how to advocate for improvement or establishment of an audit committee or an audit function.

By the end of this Professional Development luncheon meeting, regardless of your position in your organization, you will be able to relate and understand the importance of audit committee to your job.

Take advantage of this training opportunity offered to you, within your reach.

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www.agasiliconvalley.org

PRESIDENT'S MESSAGE

By Grace S. Ragni, CGFM, CPA, CISA, CIA



The unfortunate predictions I read in one of the auditing magazines is that "Fraud will be alive and well in the future." Control experts believe that there is ample opportunity for those willing to commit fraud. This includes credit card fraud, insurance claim fraud, fraud in loan applications, bankruptcy fraud, retail theft fraud, antitrust violations, to name a few. With the current economy, pressure to perform or even just to survive will be a factor contributing to would-be perpetrators' decisions. Our February speaker, **Jack Kirivong of Business Controls, Inc.**, pointed out that there is help to companies that would like to detect and most importantly, deter fraud. Jack presented the use of effective fraud hotlines which is a technique to bring fraud symptoms to the surface.

We invite all Certified Government Financial Managers (CGFM) to our March meeting as we recognize your accomplishment and professionalism. The Board has also worked with a handful of cities in declaring the month of March as CGFM month.

I would like to thank my co-officers for the lively discussion of future activities during our board meeting on February 21, 2009. Ideas on the organization's future agenda were very creative and ingenious. It is so rewarding to know that despite the challenging times in the delivery of the organization's objective, there is a number of individuals who is always behind and simply willing to give up their free time (Saturday morning, in particular) for the sake of the chapter.

Happy Cesar E. Chavez Holiday!
March 31st A Day of Service

March is a CGFM Month



For the past four years, thanks to the initiative and dedication of AGA regional and chapter leaders, state and local governments have been declaring *March a CGFM month*. This project has been a great example of AGA leadership and teamwork and continues to help spread the word about the CGFM Program. Mayor Robert Livengood of City of Milpitas proclaimed March 2009 as CGFM of the Month in Milpitas – www.agasiliconvalley.org/MilpitasCGFM2009.pdf. Jerry Gandara, Chapter’s CGFM Coordinator, spearheaded the effort to obtain the CGFM Proclamation.

Other States, Counties and Cities all around the nation also issued CGFM Proclamation. To view the list of proclamations, visit –

http://www.agacgfm.org/cgfm/proclamations_09.aspx

Proclaiming March 2009 as CGFM Month does not only recognize the over 14,000 Certified Government Financial Managers and AGA members nationwide but also inspire them to continue to demonstrate professionalism and competency to promote government accountability. The Chapter Board recognize the following chapter members who are CGFM’s:

- | | |
|--------------------------|--------------------------------|
| Wayne Bonde, CGFM | Grace Salandanan Ragni, CGFM |
| Mary Bumpass, CGFM | Edward Reyes, CGFM |
| Gary Epstein, CGFM | Alice Schmidt, CGFM |
| Beverley Evans, CGFM | Louis Solton, CGFM |
| Alex Guiang, CGFM | Doris White, CGFM |
| Sheryl Ann Ireland, CGFM | Edwin Young, CGFM |
| Emerick Konno, CGFM | Sharon Erickson, CGFM |
| Tracy Kwok, CGFM | David Gandrud, CGFM |
| Sandra Lawrence, CGFM | Gerald Silva, CGFM |
| Ronald Liang, CGFM | Deborah Orlando, CGFM |
| James Mitchell, CGFM | Edward Ronald Stanbridge, CGFM |
| Dat Nguyen, CGFM | Murray Waid, Jr., CGFM |

**AGA SILICON VALLEY CHAPTER OFFERS
\$500 CGFM SCHOLARSHIP**

The Chapter Executive Board has approved a \$100 scholarship each to the first five AGA Silicon Valley Chapter members who signed-in and attended a CGFM Training Course offered in San Francisco by Management Concept in May 2009.

To apply, AGA member must notify AGA Silicon Valley Chapter CGFM Coordinator, Jerry Gandara, at rosalio.gandara@dcma.mil in advance indicating AGA membership number and the CGFM Training course or courses to be attended. Upon completion, submit a Certificate of Attendance/Completion issued by Management Concept to the Chapter CGFM Coordinator. The Chapter will then send you a \$100 check. Hurry up, only the first five who notify the Chapter CGFM Coordinator will each receive the scholarship.

THANK YOU FOR BEING THE CHAPTER SPONSOR



Are you prepared for AGA's CGFM Exams?

The CGFM Training Series

Consists of three courses, offered throughout the U.S.

	San Francisco, CA	San Diego, CA
Governmental Environment	May 6, 2009	August 19, 2009
Governmental Financial Management and Control	May 7-8, 2009	August 20-21, 2009
Governmental Accounting, Financial Reporting and Budgeting	May 11-13, 2009	August 24-26, 2009

Register Today!

For additional course dates and locations, call 703.790.9595 ext. 4046 or visit www.managementconcepts.com/cgfm

Sponsored by AGA and Management Concepts



2009 Call for AGA Scholarships

Help us spread the word about AGA's 2009 scholarship program. Are you or a family member is pursuing undergraduate or graduate studies in disciplines such as accounting, auditing, budgeting, economics, finance, information technology, public administration, etc.? Consider applying for an AGA national scholarship. Each year, AGA awards:

- Up to four \$3,000 academic scholarships for full-time study to AGA members and their family members.
- One \$1,000 academic scholarship for part-time study to AGA members and their family members.
- One \$3,000 scholarship for community service accomplishments to AGA members and nonmembers.

The deadline for receipt of AGA National scholarship nominations is **March 31, 2009**. Visit AGA website for more details and to download an application – <http://www.agacgfm.org/membership/awards/>.

Dat Nguyen Earns Certified Government Financial Manager Designation

AGA National, Alexandria, VA – The Association of Government Accountants is pleased to announce that **Mr. Dat Nguyen** has successfully met the Association's certification requirements by examination and has been granted the designation of Certified Government Financial Manager (CGFM).



Mr. Nguyen is a member of AGA Silicon Valley Chapter. He currently works for the Redevelopment Agency of the City of San Jose as financial analyst handling budgetary function. Mr. Nguyen passed all the three comprehensive examinations that make up the core requirement of the CGFM program:

Examination 1: Governmental Environment

Examination 2: Governmental Accounting, Financial Reporting and Budgeting

Examination 3: Governmental Financial Management and Control

Each of the three separate examinations is structured to require a candidate to demonstrate primarily a general familiarity, understanding and appreciation of the subject area. However, portions of each examination, particularly Examination 2, requires a more detailed knowledge of specific techniques, standards, procedures and practices unique to either the federal government or state and local governments.

AGA's CGFM Program was specifically designed to help meet the critical need for greatly increased emphasis on the professional qualifications and stature of government financial managers. This professional designation recognizes the unique skills and special knowledge required of professionals who specialize in government financial management. In addition to meeting the program's education and experience requirements, those awarded the designation agree to abide by AGA's strict Code of Ethics and complete at least 80 hours of continuing professional education in government financial management topics or related technical subjects every two years.

For more information about the Association or the CGFM Program, call 800.AGA.7211, or visit AGA's website at www.agacgfm.org.



AGA Research Report: Procuring Audit Services in Government: A Practical Guide to Making the Right Decision

This research paper, which is written as a guide, seeks to clarify for the non-auditor exactly what an audit entails, the professional standards followed, who can perform an audit, the value derived from an audit, and the standards and oversight to which government auditors and independent public accountants (hereafter referred to as CPA firms) are subject to when performing government audits.

For more details, visit – <http://www.agacgfm.org/research/downloads/CPAG19.pdf>.

Economic Recovery Act Initial Implementing Guidance from OMB

If your organization (federal, state, city and special district/agency) is a recipient of or planning to participate in the Economic Recovery Act funding, you need to know the reporting and accountability requirements. The Office of Management and Budget (OMB) on February 18, 2009 issued the Initial Implementing Guidance -

http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-10.pdf. OMB establishes the guidance requirements for various aspects of Recovery Act planning and implementation. These requirements are intended to meet the following crucial accountability objectives:

- Funds are awarded and distributed in a prompt, fair, and reasonable manner;
- The recipients and uses of all funds are transparent to the public, and the public benefits of these funds are reported clearly, accurately, and in a timely manner;
- Funds are used for authorized purposes and instances of fraud, waste, error, and abuse are mitigated;
- Projects funded under this Act avoid unnecessary delays and cost overruns; and
- Program goals are achieved, including specific program outcomes and improved results on broader economic indicators.

To fulfill these responsibilities, the Recovery Act Accountability and Transparency Board was created. Section 3 of the OMB guidance states the role of Recovery Act Accountability and Transparency Board in coordinating government-wide policy on the Recovery Act. It is responsible for coordinating and conducting oversight of Federal spending under the Recovery Act to prevent waste, fraud, and abuse. You can view additional information on the American Recovery and Reinvestment Act by visiting - <http://www.recovery.gov/>. The breakdown of the stimulus funding can also be found in the GFOA Web site -

<http://www.gfoa.org/downloads/ComprehensiveBreakdownStimulusFunds.xls>.

Introducing New AGA Members

The newest AGA chapter member is **Lisa Dafonte**. Lisa received her Bachelor Degree from San Jose State University with double majors in accounting and MIS in 2002. While in college, Lisa joined the City of San Jose's Office of the Auditor as intern. After graduation from college, Lisa started working with the US Defense Contract Audit Agency. She plans to pursue higher education in MBA and sits for the CPA exam.

Another new member is **Edith Driscoll, CIA**. Edith is the Chief Deputy Auditor-Controller of the County of Santa Cruz. Edith oversees the County's audit and systems, general accounting, and special accounting.

Join us in welcoming Lisa and Edith to AGA!



March 04, 2009

THE COST OF TRANSPARENCY

By: Thad Juszczak

Thad Juszczak, a member of AGA's Washington, D.C. Chapter, is a director with Grant Thornton LLP, a retired federal budget officer and the AGA National Treasurer.

Accountability and transparency are two concepts on everyone's minds (and blogs) these days, thanks to the American Recovery and Reinvestment Act (Recovery Act). Accountability has been around for a while; it means that someone specific is responsible for achieving performance results. (Most of us know that AGA's mission is Advancing Government Accountability.)

Transparency is a newer concept. It means that the things you are doing to achieve performance results are open and (more important) understandable. Simple openness is not enough, and posting every financial transaction to a website is not transparency. That's obfuscation. USAspending.gov started to make federal expenditures transparent, but I think the jury is still out on how effective it has been.

While most people support the goals of the Recovery Act, not everyone is confident that it is the appropriate or sufficient approach. The administration addressed this concern by promising unparalleled transparency for Recovery Act funds. We won't need someone else's assessment about whether the Recovery Act is successful; it will be so transparent that we can see for ourselves.

Accountability is absolutely essential for all government programs. We must know that someone is achieving performance results. Agencies already report on results under the Government Performance and Results Act (GPRA). Transparency seems like a good idea, but as I read the Office of Management and Budget's 62 pages of "Initial Implementing Guidance," it occurs to me that it is also expensive. There is going to be a lot of new tracking and reporting of Recovery Act spending by agencies. A new website, Recovery.gov, provides a portal to Recovery Act transparency. Of course, all this tracking and reporting will come on top of everything else that agencies are already doing.

Fortunately, the Recovery Act includes provisions for agencies to use a small percentage of those funds for "management and oversight purposes." I looked at one agency, the Environmental Protection Agency (EPA), and saw that it received \$7.2 billion in Recovery Act funds, primarily for state and tribal assistance grants. The "management and oversight purposes" funds were up to \$90 million, with another \$20 million for the inspector general. I don't know if EPA will need this \$110 million (or more), and admittedly it's not a lot of money compared to the overall Recovery Act funds in the agency, but we should recognize that transparency for the Recovery Act could cost \$110 million just at EPA. That money could have gone to climate control or clean water, or maybe not have been borrowed at all, saving future interest costs. As funding for transparency, this money doesn't actually improve any program.

If transparency is good for the Recovery Act, would it be good for the entire budget, or do the circumstances of the Recovery Act require something special? Does USAspending.gov provide sufficient transparency for the budget? Would the cost of transparency drop if all major government expenditures were required to be transparent? Is transparency where we want to spend our money? Is transparency a necessary condition for accountability or can you have accountability without transparency? Does transparency mean that we don't trust government employees to do the right thing?

And finally, how much transparency do we really want? I can hear Jack Bauer now as he rescues America one more time: "Just tell me what you want, give me the money, and get out of my way."

City of San Jose Issues First SEA Report

AGA National, Alexandria, VA, March 3, 2009 - The San José city auditor last month issued the city's first annual *Service Efforts and Accomplishments (SEA)* report containing cost, workload and performance data for city services. The report includes a historical perspective of both the scope of city services and the quality of those services. The document offers five-year comparisons of much data, something the city did not previously track. It also contains selected comparisons between San José and other cities in California's San Francisco Bay Area, or to state or national trends.

The report was distributed to approximately 100 neighborhood leaders at a January 24, 2009 Neighborhood Priority-Setting Session designed to solicit community input regarding service and budget priorities for the upcoming year. It was also distributed to local labor leaders. On Feb. 3, it was presented to the San José City Council. **City Council member Nancy Pyle** called the report "a statistic junkie's heaven." Other council members noted that the five-year trends will be helpful in holding city departments accountable in the future.

The City's first *Service Efforts and Accomplishments (SEA) Report* was prepared by the Office of the City Auditor under the leadership of **City Auditor Sharon W. Erickson, CGFM, CIA**, a member of AGA Silicon Valley Chapter. She stated, "In early 2009, our office published its first ever *Annual Service Efforts and Accomplishments Report*. The report is intended to be informational. It will provide data about the costs, quality, quantity, and timeliness of City services. It will include a variety of comparisons to other cities, and resident survey results. Our goal is to provide the City Council, staff, and the public with an independent, impartial assessment of past performance to strengthen public accountability, improve government efficiency and effectiveness, and support future decision making." You can view San Jose's SEA report by visiting - <http://www.sanjoseca.gov/auditor/SEA.asp>.

AGA Unveils Certificate of Excellence in Citizen-Centric Reporting



AGA now offers a Certificate of Excellence in Citizen-Centric Reporting for governmental entities that prepare and distribute four-page reports that provide citizens with clear information on a government's financial condition, its performance in providing services, and challenges it faces in the future.

These reports, known as Citizen-Centric Reports, have been adopted by 31 governmental entities, including cities, counties, states and federal agencies. The reports have proven to be an effective tool in increasing citizen awareness, involvement and trust in government, as they describe government finances in a way that avoids complex, off-putting technical detail and present the information in a visually appealing, straightforward way.

The Citizen-Centric Reports follow a suggested format, with the first page laying out community information; the second, a performance report on key missions and services; the third, cost and revenue information; and the fourth, a look forward to the year ahead. Read about eligibility and judging guidelines – <http://www.agacqfm.org/citizen/award.aspx>.

For more information, please contact Susan Fritzlen at sfritzlen@agacqfm.org.

Help your Chapter: Participate in AGA 2009 Survey

AGA is sponsoring an online survey to learn members' thoughts about current and future government financial management issues. AGA Corporate Partner Grant Thornton LLP is administering the survey. All responses are anonymous, and the results will be presented at the 2009 PDC in New Orleans.

To encourage responses, AGA will give the chapter with the highest response rate a cash award of \$300; second highest will receive \$200 and third will receive \$100. The award will be based on the number of responses received per chapter divided by the total registered membership of a chapter. Please be sure to enter your chapter's name when you fill out the survey - <http://surveys.gt.com/2009-cfo-questionnaire>

Thanks for your help in promoting the survey. If you have any questions about AGA's research initiatives, please contact AGA's Director of Research Anna Miller at amiller@agacgfm.org.

It's Renewal Time!

Annual membership and CGFM renewal packets should have arrived in your mailboxes already. The renewal due date is March 31, 2009. We encourage chapter members to use this quick and easy renewal method - How to Renew Online: Access the [AGA website](#) - and click on 'Members Only' on the left palette. Login using your membership ID number and password (your first initial followed by your last name—no spaces), click on the gray 'billing' button above your name. All you have to do is input your credit card information and hit 'submit.' The transaction will automatically process via our secure server and the renewal information will be automatically updated in AGA's in-house membership system. While you are logged into the Members Only section, be sure to take a look at your contact information and make any updates as necessary (especially your e-mail address).

Your membership in AGA assures your connection to the profession with the Journal, the association's quarterly government financial management magazine, Topic Newsletter, Members also have access to reduced rates on continuing professional education opportunities through our chapters and conferences.

AGA Research Report: Grants Management: How XBRL Can Help

Grants are a major conduit whereby the federal government provides funds to states and other recipients. The situation today is difficult for recipients because they have to manage multiple requirements, often for very similar grant programs, and there is no streamlined process for reporting the progress to the federal agency or agencies. Visit –

<http://www.agacgfm.org/research/downloads/CPAG18.pdf>



AGA PDC 2009 in New Orleans—Register and Reserve Your Hotel Accommodations Today



PDC 2009
New Orleans, LA

June 21–24

Join us in the “Big Easy” June 21–24, 2009, for AGA’s 58th Annual Professional Development Conference & Exposition (PDC)—the premier education and networking event of the year!

The PDC attracts more than 1,700 government financial management and accountability professionals to hear from the best minds in the industry at education sessions, in the Exhibit Hall and at daily social events.

The PDC is the authoritative source for the knowledge and contacts you need to succeed in today’s constantly changing environment. At the PDC, you can hear from dynamic speakers, make new contacts, learn about the latest research, discover innovative management techniques and see the technological tools that can aid efficiency and improve effectiveness.

In addition to an excellent technical education program, the PDC is packed with opportunities to network with colleagues from around the country and make new friends. While you’re here, please be sure to experience all the music, culture, history and fine dining New Orleans has to offer.

- [Register Online and Save!](#) -
- [Download Registration Form](#)
- [Visit the Website](http://www.agacgfm.org/pdc2009/index.htm) – <http://www.agacgfm.org/pdc2009/index.htm>.

Hotel Accommodations: This year’s conference activities will take place in two hotels. The New Orleans Marriott will play host to the Registration Desk, Exhibit Hall, concurrent sessions and most of AGA’s business meetings. The Sheraton New Orleans Hotel will host all of the general sessions and luncheons. For your convenience, both hotels are located on Canal Street and are directly across the street from each other.

We have reserved a block of rooms at both the New Orleans Marriott and the Sheraton New Orleans Hotel to accommodate PDC attendees. The AGA room rate is \$120 per night (plus tax) for single and double occupancy. Rates are only guaranteed until **May 29, 2009**, or until the block is sold out. We encourage you to make your hotel reservations early, for the best price and availability.

- To make a reservation, please call your preferred hotel at 800.654.3990 (Marriott) or 888.627.7033 (Sheraton) and mention you are attending the “AGA PDC” to receive the discounted rate. Visit AGA web site for the link in making online reservation:
 - [Marriott Online Reservations](#)
 - [Sheraton Online Reservations](#)

GOVERNMENT FEEDBACK INITIATIVES

By Jack Kirivong

Jack Kirivong is a National Accounts Director of Business Controls, Inc. He spoke to the AGA Silicon Valley Professional Development Meeting on February 19, 2009 on Hotline Best Practices. You can view his presentation by visiting – www.agasiliconvalley.org/AGA09.pdf.



Federal, state, and local agencies around the country are currently looking for better ways to manage fraud, waste, and abuse. Beyond these concerns, the government also has highly specialized reporting needs, such as a reliable method for learning about terrorist activities, managing First Responder communications, and uncovering environmental violations.

Many agencies have at least one internal hotline in place, which usually consists of generalists answering a telephone line during regular business hours and voice mail messaging when no one is available to answer the phone. These internal processes can be improved in several ways:

A best-of-breed approach includes a live 24/7 answering service, as callers often do not feel comfortable leaving voice mail messages and 54% of hotline calls happen outside of business hours.

1. Anonymous callers may feel uncomfortable reporting to a coworker, rather than a neutral third party.
2. A process is required to effectively escalate issues that may involve harm to personnel or property, before a situation gets out of control.
3. Training for both staff employees and management
4. Communication services for internal and external users

As the country's biggest employer, the government understands the need to improve methods for addressing fraud, waste, and abuse. Recent events in the media confirm a need for better solutions. Government agencies have several challenges:

Conflicting Programs. Some agencies offer several hotlines, each soliciting calls regarding narrowly-defined areas of concern. The agencies felt that this approach can confuse employees and is difficult to manage, defeating the purpose of the program. Providing a centralized hotline will improve efficiency and increase usage.

Data Aggregation. The agencies felt that improvements were required in the way data was gathered, documented, analyzed, and shared with appropriate authorities. There are no tools in place to track trends and indicate "hot spots" that require immediate focus.

Training and Promotion. While hotlines tend to be communicated in handbooks, ongoing communication about expected behaviors and education about how and when to report issues is critical to a program's success. Proper promotion will improve the quantity and quality of feedback, maintaining the hotline program's positive effect and results over time.

GOVERNMENT FEEDBACK INITIATIVES (Continued from page 11)

Recognizing the Need for Feedback Mechanism Improvement:

During a recent Ethics Conference hosted by the [Office of Government Ethics](http://www.usoge.gov/) (OGE), <http://www.usoge.gov/>, attendees expressed some specific goals and objectives that include improvements to reporting mechanisms:

- Enhancing communication between the agencies and employees
- Expanding coverage for reporting mechanisms to offer live 24/7 response
- Improving employee training and educational materials

The government has an internal mandate under OGE 5 C.F.R., listing 14 General Principles to which all government employees must abide. Section 11 pertains to having a reporting mechanism in place. OGE 5 C.F.R – 2635.101(b),

http://www.dod.mil/dodgc/defense_ethics/ethics_regulation/2635/subparta.html – Section 11: Employees shall disclose waste, fraud, abuse, and corruption to appropriate authorities.

Beyond OGE 5 C.F.R, there are other issues that a can be uncovered by a live 24/7 hotline:

- Conflicts of Financial Interest
- Improper Gifts from Outside Sources
- Seeking Employment
- Post Employment concerns
- Abuse of Travel policy
- Misuse of Position
- Sexual Harassment
- Abuse of Power
- Contracts/Co-Operative Agreements
- Mismanagement

Offering a professional, centralized hotline also enhances compliance with the Whistleblower Act and the [Hatch Act](#). Another important mandate is [OMB Circular No. A-123](http://www.whitehouse.gov/omb/circulars/a123/a123.html), <http://www.whitehouse.gov/omb/circulars/a123/a123.html>, “Establishing Management Control”. Section (iii) states that programs and resources are protected from waste, fraud, and mismanagement; Section (iv) requires that laws and regulations are followed; and Section (v) requires that reliable and timely information is obtained, maintained, reported and used for decision-making.

Next Steps: Based on our experience we believe a number of agencies should implement their own live 24/7 hotline programs. Given the current trend toward outsourcing non-critical functions, as well as the issues outlined above regarding internal hotline operations, it is logical that these hotlines should be externally operated by a neutral, experienced organization.

In addition to the hotline service itself, each program should include case management functionality for standardized documentation of issue investigation through resolution. An effective hotline program also uses comprehensive training and communications campaigns to educate employees.

The Association of Certified Fraud Examiners’ [2004 Report to the Nation](http://www.acfe.com/documents/2004RttN.pdf), <http://www.acfe.com/documents/2004RttN.pdf>, suggests hotlines should be open to participants beyond the employee population in order to maximize results. By making hotlines available to vendors, contractors, and the general public, reporting would be improved through both an enhanced deterrence effect as well as additional issue reports due to the extended reach.

Snapshots at Professional Development Meetings

February 2009 Meeting



You may view the speaker's presentation by visiting –
www.agasiliconvalley.org/AGA09.pdf

Chapter Membership Drive

If you are not a member of AGA yet, you can sign-in as new member at the March 2009 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 March 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.

Upcoming Chapter Professional Development Meetings – Save the Date!

April 16, 2009, Thursday

Kelley Spivey, City of San Jose
Topic: Generational Diversity in the Workforce from Collision to Collaboration

May 21, 2009, Thursday

Kathryne Daniels, Bank of America
Topic: Identify Theft, Fraud & EPayable

June 18, 2009, Thursday

Byron McGinley, DCIS Special Agent
Topic: Fraud and Investigation

Planning to attend the March 19, 2009 Professional Development Meeting?

Make reservation by contacting:

Bill Brown, <mailto:william.brown@vta.org>
(408) 321-5648

Gary Epstein, <mailto:gary.epstein@vta.org>
(408) 321-5683

Remi Thomas, <mailto:remegia.thomas@vta.org>
(408) 952-4125

Cost: Member/Student/Retiree, \$25,
Nonmember, \$40

Food Selection:

- **Baked Mahi Mahi** - Filet of Mahi Mahi, baked and topped with Orange Beurre Blanc Sauce. Served with Rice Pilaf & Vegetables
- **Veggie Wrap**
- **Chicken Vernique** - Double breast of Chicken topped with Grapes and Cream sauce. Served with Wild Rice Blend & Vegetables

All entrees include a starter salad, rolls & butter, fresh coffee, decaffeinated coffee, spiced ice tea, & chef's choice dessert.

FROM THE EDITOR:

Members are encouraged to send news articles for our 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, AGASiliconVal@sbcglobal.net – ed

“Most people think of leadership as a position and therefore don't see themselves as leaders.” – *Stephen R. Covey*



10 Great Reasons to Join AGA

10. Keep up with the Latest Issues

In today's busy society, everyone knows it is harder than ever to keep up with the latest issues—to know who's doing what, and how. One way you can have regular access to the latest information—and build your professional network at the same time—is by attending AGA's NASBA-certified seminars, conferences and local chapter events. It is the best opportunity you have to keep on keeping up...and as a member, you're assured of hearing about all of the conferences and meetings well in advance. Another way is by receiving AGA publications, which are all easily accessible to members on the AGA website and are also e-mailed right to your desktop.

9. Stop Reinventing the Wheel

AGA is the *ONLY* professional association that boasts a membership across *ALL* levels of government—local, state and federal. Plus, AGA also has members who work for tribal governments, academic institutions and private sector organizations. The greatest benefit AGA makes available to you is access to this powerful network of professionals. With a membership at 15,000, you can talk with peers, find solutions to current issues and seek advice, all within minutes!

8. Stay Abreast of the Latest Technologies and Financial Systems

Everywhere we turn, technology is affecting our lives. Whether we're online buying a gift, making vacation plans or keeping in contact with friends and relatives, technology and the Internet are key to how we get things done in today's fast-paced environment. Turn to AGA Corporate Partner organizations to keep up with the latest and greatest in technology and software applications. Private-sector organizations bring a wealth of intellectual knowledge and industry viewpoints to AGA members. White Papers and survey data give members a better understanding of how technology can be applied toward solving everyday business problems and issues.

7. Save Money For You and Your Employer

It's true—your AGA membership can help you and your employer save money. Your membership in AGA entitles you to significant savings on registration fees for conferences, workshops and courses, as well as AGA periodicals and training materials. So you can keep current—without breaking the bank.

6. Make New Friends and Important Professional Contacts

A true professional knows the value of good contacts. Your local AGA Chapter puts you in contact with other accountability professionals in your area. You'll get the chance to participate in social events, business meetings and educational seminars with other professionals who understand your concerns. Your AGA membership means you're part of a tremendous nationwide network.

"As a small business owner providing services to the government, AGA membership provides me excellent continuing education and networking opportunities."

Flora Milans,
CGFM, CPA
President, RoundUp
Accounting
AGA Member Since 1995

"Membership has its advantages. More than you may realize like leadership, travel, meeting great people, and helping to make a difference in our accountability profession. It is more than CPE. Many professional associations offer CPE, but AGA gives you that plus insight and networking opportunities that are unparalleled."

Nauri D. Ahmed, CGFM, CPA
Commonwealth of Virginia, AGA Member Since 1996



*Advancing
Government
Accountability*

Association
of Government
Accountants

2208 Mount Vernon Avenue
Alexandria, VA 22301

PH 703.684.6931
TF 800.AGA.7211
FX 703.548.9367

www.agacgfm.org
agamembers@agacgfm.org



5. Be Represented by an Industry Leader

AGA has been serving accountability professionals since 1950. Just as you through your career and outside interests have contributed to improving our governments, AGA remains committed to advancing government accountability at all levels of government. AGA monitors congressional and regulatory activities and keeps you informed of new developments. Together AGA members represent a strong, unified voice in support of the advancement of accountability in government financial management.

4. Increase Your Skills and Value to Your Employer

Access thousands of hours of inexpensive continuing professional education via NASBA-certified conferences, classroom courses, training events, and online self-study. Learn new techniques to help improve workplace efficiencies and effectiveness.

3. Earn Professional Recognition

You've put a lot of hard work into getting where you are today. Enhance your credentials as a government financial manager by choosing to have your unique skills and knowledge recognized through professional certification in AGA's Certified Government Financial Manager (CGFM) designation. The CGFM designation is proof of a broad range of government financial management expertise—an attribute most sought after by government employers. The CGFM demonstrates your ability to keep abreast of change and enhances your credibility to the government accountability community you serve.

"Being part of AGA for the past two decades has been one of the highlights of my career! I've learned many skills from AGA—from how to work on teams to leading large organizations. I've kept current on industry knowledge by taking advantage of the many educational events offered to me."

*Cindy Cox, CGFM
AGA's North Central
Regional Vice President
DFAS Leaders in Motion
Program Manager
AGA Member Since 1996*



2. Build Your Leadership Skills

And your professional reputation. How? Active participation in your local AGA chapter and AGA national committees! In addition to leadership skills, you'll develop effective teamwork and communications skills as well as networking skills. Traits ALL employers are looking for! NOW is the time to get your career on the fast track!

1. Get a Head Start on Your Career

Make valuable contacts. Meet your peers. Keep up your education. Build a professional network. Learn new skills. Learn from the leaders. Don't waste another valuable minute. Now is the time to join AGA!

Check out AGA on the Internet at www.agacgfm.org or call the Customer Satisfaction Center at 800.AGA.7211.



Membership Application

New Member Check here if renewing

I. Name & Mailing Address

Mr. Mrs. Ms. Dr. Prof.

male / female

Preferred Address

Name FIRST LAST MIDDLE

Address Apt/Suite#

City State/Province

Zip/Mail Code Country

Home Office Address

Business Phone Business Fax

Home Phone

E-mail

Second Address

Address Apt/Suite#

City State/Province

Zip/Mail Code Country

II. Business Information

Job Title Dept.

Organization

Employer: (Government):

- Federal State County City International
 Private Academia Student Retired Private International

Responsibility Area:

- Accounting Budgeting Financial Management Management Academia
 Contract Management Grants Management Program Management Administration Consulting
 Information Systems Retired Auditing Finance Legal
 Student Other

How did you hear about AGA?

- Friend/Co-Worker AGA/Chapter AGA Conference Employer AGA Website
 CGFM Program Internet Search Chapter Meeting AGA Publication Direct Mail

Age:

- Below 20 21 – 25 26 – 30 31 – 35 36 – 40 41 – 45 46 – 50 51 – 55 56 – 60 61 – 65 66+

Please list any other financial management or accounting associations you are a member of:

Education: Highest degree attained: Accreditation and Certificates:

III. Sponsor's Name

(if applicable) Member ID #

IV. Membership Data/Dues

Please choose a membership category and fill in the appropriate dues from the list on the back of this application. Retired? Call the AGA Customer Satisfaction Center at 800.AGA.7211 to find out about our retired membership category.

o Full Government—\$90/year—Full Government - This class of membership is available to individuals with three or more years of government experience. This class is also available to individuals with similar experience who work for colleges/universities and not for profit organizations.

o Private Sector—\$150/year—This class of membership is available to individuals working for private companies, corporations, partnerships and sole proprietors.

o Early Career—\$45/year—This class of membership is available to individuals with less than three years of experience.

o Student—\$30/year—This class of membership is available to full-time college/university students that are not gainfully employed.

Primary Chapter Dues

Additional Chapter Membership(s) Optional Dues

Dues

(please refer to list on the reverse side)

V. Method of Payment

Check enclosed (make checks payable to AGA)

Charge to my: VISA MasterCard AMEX Discover

Total Amount Enclosed

Card Number Expiration Date

Signature

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Annual Chapter Dues Table

F = Full Government Member
 P = Private Sector Member
 E = Early Career Member
 S = Student Member

CHAPTER	F/P	E	S
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ALABAMA

Montgomery	10.00	10.00	5.00
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ALASKA

Alaska Capital	10.00	10.00	-0-
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ARIZONA

Phoenix	5.00	5.00	3.00
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ARKANSAS

Central Arkansas	5.00	5.00	5.00
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CALIFORNIA

Central Coast	5.00	5.00	5.00
Inland Empire of CA	10.00	10.00	10.00
Los Angeles	5.00	5.00	5.00
Los Angeles Civic Center	5.00	5.00	5.00
Orange County	5.00	5.00	1.00
Silicon Valley	5.00	5.00	5.00
Sacramento	3.50	3.50	3.50
San Diego	7.50	5.00	2.50
San Francisco	6.00	6.00	6.00

COLORADO

Denver	5.00	5.00	5.00
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CONNECTICUT

Hartford	5.00	5.00	5.00
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DELAWARE

Dover Capital	10.00	10.00	5.00
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DISTRICT OF COLUMBIA

Washington, D.C.	10.00	5.00	5.00
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FLORIDA

Tallahassee	5.00	5.00	5.00
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GEORGIA

Atlanta	5.00	5.00	5.00
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GUAM

Guam	5.00	5.00	5.00
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HAWAII

Hawaii	5.00	5.00	-0-
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IDAHO

Idaho Centennial	-0-	-0-	-0-
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ILLINOIS

Chicago	7.00	7.00	7.00
Springfield	7.50	7.50	7.50
Quad Cities	-0-	-0-	-0-

INDIANA

Central Indiana ¹	5.00	5.00	5.00
Indianapolis ²	5.00	5.00	5.00

IOWA

Des Moines	5.00	5.00	5.00
Quad Cities	-0-	-0-	-0-

KANSAS

Topeka	-0-	-0-	-0-
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KENTUCKY

Central Kentucky	5.00	5.00	5.00
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JAPAN

Japan	5.00	5.00	5.00
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LOUISIANA

Baton Rouge	5.00	5.00	5.00
New Orleans	5.00	5.00	5.00

MAINE

Maine	10.00	5.00	5.00
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MARYLAND

Baltimore	5.00	5.00	5.00
Montgomery/Prince Georges	10.00	6.00	-0-

MASSACHUSETTS

Boston	7.50	7.50	7.50
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MICHIGAN

Detroit	5.00	5.00	5.00
Greater Lansing	7.50	5.00	5.00

MINNESOTA

Minneapolis/St. Paul	5.00	5.00	5.00
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MISSISSIPPI

Jackson	5.00	5.00	5.00
West Central Mississippi	-0-	-0-	-0-

MISSOURI

Kansas City	-0-	-0-	-0-
Mid-Missouri	-0-	-0-	-0-
St. Louis	-0-	-0-	-0-
The Ozarks	5.00	5.00	5.00

MONTANA

Lake Missoula	10.00	10.00	10.00
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NEBRASKA

Lincoln	7.50	7.50	7.50
Omaha Metro Area	10.00	10.00	10.00

NEW JERSEY

Northern New Jersey	7.50	7.50	7.50
Trenton	5.00	5.00	2.00

NEW MEXICO

Albuquerque	10.00	10.00	10.00
New Mexico	10.00	10.00	10.00

NEW YORK

New York City	5.00	5.00	5.00
New York Capital	-0-	-0-	-0-

NORTH CAROLINA

North Carolina Triangle	7.50	7.50	7.50
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NORTHERN MARIANA ISLANDS

Northern Mariana Islands	-0-	-0-	-0-
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OHIO

Cincinnati	5.00	5.00	5.00
Cleveland	5.00	5.00	5.00
Central Ohio ¹	5.00	5.00	5.00
Greater Columbus ²	-0-	-0-	-0-
Dayton	5.00	5.00	5.00

OKLAHOMA

Oklahoma City	7.50	7.50	5.00
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OREGON

Portland	5.00	5.00	5.00
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PENNSYLVANIA

Central Pennsylvania	5.00	5.00	5.00
Philadelphia	5.00	5.00	-0-

PUERTO RICO

Puerto Rico	-0-	-0-	-0-
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SOUTH CAROLINA

Columbia	10.00	10.00	10.00
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TENNESSEE

Chattanooga	10.00	10.00	-0-
East Tennessee	7.50	7.50	7.50
Nashville	5.00	5.00	5.00

TEXAS

Austin	5.00	5.00	5.00
Dallas	5.00	5.00	2.50
Fort Worth	5.00	2.50	2.50
Houston	5.00	5.00	5.00
San Antonio	5.00	5.00	5.00

UTAH

Northern Utah	5.00	5.00	5.00
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VIRGINIA

Northern Virginia	10.00	10.00	10.00
Richmond	5.00	5.00	5.00
Roanoke	5.00	5.00	5.00
Virginia Peninsula	-0-	-0-	-0-

WASHINGTON

Central Washington	5.00	5.00	5.00
Mid-Columbia Basin	7.50	7.50	7.50
Northwest Inland Empire	5.00	5.00	5.00
Olympia	10.00	10.00	10.00
Seattle	5.00	5.00	1.25

WISCONSIN

Southern Wisconsin	-0-	-0-	-0-
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STUDENT AFFILIATE CHAPTER

Old Dominion University	N/A	N/A	-0-
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Please call AGA's Customer Satisfaction Center at 800.AGA.7211 if you do not see a chapter listed in your area.

*Dues subject to change without notice.

Updated February 2006.

¹State and Local Focus

²Federal Focus