

UPCOMING CHAPTER EVENTS

JANUARY 13, 2005
**Membership
Meeting**

Presenter
Relmond Van Daniker,
**AGA Executive
Director**

Location:
Office Pub & Deli

Time:
11:30 am—12:30 pm

Price:
\$5 lunch

JANUARY 11, 2005
**Chapter Executive
Council Meeting**

FEBRUARY 1, 2005
**Chapter Executive
Council Meeting**

FEBRUARY 2, 2005
**Membership Meet-
ing**

President's Message



I hope your holidays were joyous and restful. I have to admit that December 26th is one of my favorite days of the year. There are 364 glorious days left to procrastinate! Did you catch the debate over the use of the

term Christmas vs. using the term Holidays? It seems some people took issue with the fact that Wal-Mart has decided to substitute the word holiday for the word Christmas in its advertisements. I found it interesting to learn that the word "holiday" comes from term "holy" days. I also discovered that Christ was actually born toward the end of March or the first of April and not in December when Christmas is celebrated. There is always something to learn from a debate regardless of what side of the argument you are on.

We are welcoming nominations for the 2006-2007 Executive Committee. We are in the process of assembling our nominating committee and will be looking for fresh faces to fill our executive positions. Take advantage of this great opportunity to use your ideas, energy, and enthusiasm toward making our chapter even better during the coming year.

We are excited to have Relmond P. Van Daniker as our guest speaker for our membership luncheon this month. Mr. Van Daniker is the Executive Director of the national AGA. He has also served on the task force that implemented a new statewide accounting system for Kentucky and was a professor at the University of Kentucky for over 30 years. I hope you can make plans to attend.

Stay warm and remember: The days are getting longer.....

AGA Executive Director to Address Chapter



Central Kentucky's own Relmond Van Daniker will be our honored guest at January's membership meeting. He has worked in the government financial management field for 30 years, including 26 years with associations. He has served as the executive director of AGA since

October 2003. Prior to this, he spent 18 years as the Executive Director of the National Association of State Auditors, Comptrollers and Treasurers (NASACT).

Van Daniker is a past national president of the International Consortium on Governmental Financial Management (ICGFM) and was a professor of accounting at the University of Kentucky for more than 30 years.

He spent three years as assistant director with the Cost Accounting Standards Board and chaired a task force to develop and implement a new statewide accounting system for the Commonwealth of Kentucky.

Van Daniker was also the principal investigator for the National Science Foundation grant to develop generally accepted accounting principles (GAAP) for state governments.

IN THE MESSENGER

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Central Kentucky Chapter Meeting News & Notes

November Membership Meeting

Lydia Reynolds, CGFM



The October membership meeting was held on November 3, 2005 at the Office Pub & Deli. Thirteen members and nine guests were in attendance. President Rick Waddle opened the meeting with a welcome to all and encouraged those that are not members to look into membership and the benefits that the Central Kentucky Chapter has to offer.

Following this up, Rick presented the outline of our next Community Service project. The Chapter will be sponsoring and assembling Welcome Kits for those in residence at the Simon House in Downtown Frankfort. The Simon House provides a home to homeless pregnant women or women who are caring for young children. SIMON stands for Serving Infant and Mothers Ongoing Needs. The Simon House has the ultimate goal of providing each woman as she leaves the House to join her community, with the opportunity to obtain housing and a job, and the skills to cope with every day life on an independent basis.

Rick introduced BJ Bellamy, the Auditor of Public Accounts Office Chief Information Officer. Mr. Bellamy spoke about the potential security pitfalls of modern technology and their impact on both personal information security and on government auditing and accounting. BJ discussed such popular items as iPods and PlayStation PSPs and their potential uses as security threats. Mr. Bellamy stated that, in order to begin having better computer security, manufacturers and system administrators need to start "thinking like hackers" in order to foresee potential weaknesses in security systems.

Following Mr. Bellamy's presentation, Rick drew the winners of the door prizes and the meeting was adjourned. One hour of CPE was earned by those in attendance.

December Membership Meeting

Lee Ann Watters, CPA, CGFM



The monthly meeting of the Central Kentucky Chapter of the Association of Government Accountants was held at the Office Pub and Deli on December 2, 2005. The meeting was called to order by the president, Rick Waddle. Rick announced that the South Eastern Region's Professional Development

November Executive Committee Meeting

Nancy Beth Cary

The AGA Central Kentucky Chapter CEC met on November 2, 2005 at Garcia's restaurant in Frankfort. Those in attendance were Rick Waddle, Phil Nally, Sharon Parish, Amy Small, Lee Ann Watters, John Williams and Nancy Beth Cary, Lydia Reynolds and Mary Hudson.

The first item of business was the PDC 2007. Lydia Reynolds presented the information on locations for the PDC. Lydia and Nancy Beth toured three locations in October they were the Marriott Griffin Gate, The Radisson, and the Holiday Inn North. Lydia presented the pros and cons of all three locations in order for the group to make the best decision. A vote was taken and the Marriott Griffin Gate was unanimously chosen.

The next item of discussion was the May training. The committee has decided that the training will be held at Duckers Lake in their clubhouse facility.

Whether or not to purchase the CGFM study material and form a study group was discussed. A sign up sheet for interest in a study group will be available at sign in at the monthly meeting on November 3, 2005. Anyone interested in forming a study group for the CGFM is asked to sign up. The National AGA office is currently giving out coupons for \$20 off the exam if any one is interested. Rick Waddle has also sent

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Conference will be hosted March 15-17 by the Nashville Chapter. He also announced that a hotel scholarship is being offered to any chapter member who would like to attend the National Leadership Conference that will be held in early February in Washington D.C. Lee Ann Watters added that national is offering a CGFM crash course prior to the Leadership Conference. The fee of \$195 includes a 2-day CGFM study course and the exam sitting fees.

Mr. Doug Crow, Sr., Kentucky Employees Assistance Program presented a 50-minute session on managing stress. One hour of CPE in the personal development category will be awarded to all attendees.

Prior to adjournment, prize drawings were held. Sarah Parsley won a free lunch. Leslie Aitken won a \$15 gas card from Speedway. Laura Lynn Best's name was drawn for the progressive drawing for \$45. However, she was not in attendance and the prize will be increased to \$60 in January.

Central Kentucky Chapter Meeting News & Notes

December Executive Committee Meeting

Lee Ann Watters, CPA, CGFM



The Chapter Executive Committee of the Central Kentucky Chapter of the Association of Government Accountants met on Thursday, December 7 at Panera Bread. Rick Waddle, Mary Hudson, Lee Ann Watters, Phil Nally, Lydia Reynolds, Amy Small, John Williams and Dan Flaherty were in attendance.

Rick Waddle presented the committee with the total points we have earned in each category to date of the Chapter Recognition Program. Rick stated that we have attained the Silver Level of Achievement (10,000 points earned) for the last few years and challenged us to reach the Gold Level (15,000 points earned) for this chapter year. Suggested categories of improvement are Certification, Membership and Awards. A brief discussion of the Certification goals and our efforts thus

far followed.

Lydia Reynolds distributed the subcommittees for the 2007 Professional Development Conference. All person asked to chair a subcommittee have agreed to do so. Lydia will finalize the contract with the Marriott in the coming months.

Mary Hudson announced that the AGA national executive director, Relmond Van Daniker, will be speaking at the January 13, 2006 membership meeting.

Rick Waddle announced that a hotel scholarship is available for anyone who would like to attend the National Leadership Conference in Washington D.C. on February 2 and 3. Additionally, the CGFM review course and test will be offered prior to the conference.

The committee discussed possible fundraisers for the scholarship fund. Additional information will be presented at the next meeting of the CEC.

Upcoming Chapter Meetings Schedule

	January	February	March	April	May
Event	Membership Mtg.	Membership Mtg.	Membership Mtg.	Membership Mtg.	Awards Banquet 4 Hrs. CPE
Date	1/13/06	2/2/06	3/2/06	4/6/06	5/5/05
Location	Office Pub & Deli	Office Pub & Deli	Office Pub & Deli	Office Pub & Deli	Duckers' Golf Course Clubhouse
Time	11:30 a.m.	11:30 a.m.	11:30 a.m.	11:30 a.m.	
Speaker	Relmond Van Daniker AGA Executive Director	Jody Hughes Executive Director KY Infrastructure Authority	Penny Gold Executive Director KY Society of CPAs	Jim Arnette SE Regional Vice President, AGA	Dennis Dycus
Topic	National Update and CGFM Information	KIA & Bond Issuances	KSCPA Update	Regional Update	Internal Control & Fraud in Government
Event Fee	\$5 lunch	\$5 lunch	\$5 lunch	\$5 lunch	
Other Events	Door prizes	Door prizes	Door prizes	Door prizes	Annual Awards

Central Kentucky Chapter Events & Happenings

Membership Statistics

of Members (as of December 7): 81

As of December 7, 2005, the Chapter has reached 86% of its goal for Base Growth in membership. The goal each year is to increase chapter membership by 10%, thereby offering the benefits of AGA membership to more government accountability professionals.

We are at 29% of our goal for 17 new members during this program year. Recruit!

Finally, the chapter strives to retain 90% of the members each year. As of December 7, we were at 98% of that goal. Great job!

Call for submissions... If you have something you'd like to see featured in the newsletter, if you or a member you know has changed jobs, gotten a promotion, or accomplished something important at home or work, submit it to Lydia Reynolds.

CPE Opportunities

Implications of Sarbanes-Oxley for the Future of the Auditing Profession

Audio Conference
March 1, 2006

Visit www.agacgfm.org and click Education to learn more about audio conferences.

Nashville Winter Seminar

Lipscomb University, Nashville
January 23-24, 2006

This seminar will include a large array of topics that affect the government manager and the government auditor. More info by contacting Kathy.Anderson@state.tn.us

AGA Fourth Annual National Leadership Conference

Washington, D.C.
February 2-3, 2006

Welcome New Members!

Katie Smith, CPA — Ms. Smith was sponsored as a new member by Phil Nally. She is the Deputy Commissioner of the Department of Financial Incentives in the Cabinet for Economic Development. She worked in public accounting for a national firm for about 3.5 years and in industry for about 2 years. She started with the CED as the Director of Program Servicing and has worked in the CED for a little over 1.5 years.

Wes Omohundro — Mr. Omohundro works for the Lexington accounting firm of Moore Stephens Potter, LLP. He has been with the firm since May 2004 after graduating from Morehead State University (MSU) with a Bachelor of Business Administration with an emphasis in Accounting. Wes is currently working on a Masters in Business Administration through online classes at MSU as well as my CPA license.

Online CPE Opportunities

Did you know that AGA offers online CPE offers a compelling collection of courses in accounting and auditing, taxation, management and personal development and more, authored by leading professionals. Courses are now available for individual purchase or through two annual subscriptions programs. Courses are provided by Micromash and SmartPros. Check out www.agacgfm.org for more details.

AGA also offers *Journal CPE* Quizzes online to earn Continuing Education credits! AGA's *Journal CPE Online* offers an interactive CPE program for government financial management professionals on the move. By reading an issue of The Journal of Government Financial Management, and taking the relevant quiz, you can earn Continuing Professional Education (CPE) credits. Help yourself and your career by increasing your knowledge of the government financial management environment.

National AGA News & Notes



CGFM Corner

By Christine Camara



GA's Maine Chapter has learned a few things about bringing the live CGFM training courses to its members.

Gathering tips from other chapters, co-sponsoring the courses with the state controller's office, finding free classroom space and keeping prices low helped. The biggest key to success, however, was the support of State Controller Ed Karass, CGFM, who calls himself the CGFM's "biggest cheerleader in state government."

Karass has gone beyond encouraging his employees to earn the credential—he has added the CGFM to the list of certifications for newly opened high-level management positions in state finance. April Newman, financial management coordinator for the Office of the State Controller, who helped organize the courses, said 13 people had signed up before the CGFM was added to the list of minimum qualifications; within a week or two of this change, the courses were filled. "Suddenly, there was a lot of interest in people taking the courses and getting the certification," Newman said.

Karass and Chapter President Karen Doyle, CGFM, director of the Division of Accounting and Finance Services, followed up by speaking to state government leaders on the benefits of hiring professionals with the CGFM designation. So many

people signed up for the courses that the price was dropped from \$600 to \$400. State managers paid the entire course fee for the employees they sent to the courses.

"I give them a lot of credit for doing that," Newman said, noting that managers throughout government want to recruit and retain qualified people because a wave of pending retirements is expected to thin the ranks. "This truly opened the doors," she said, "only 20 people are active CGFMs in Maine now, so this was a great opportunity for people who would not have done it otherwise."

Karass has encouraged all 34 state employees who took Courses 1 and 3 last month to go forward and take the examinations and become CGFMs. Eight people from the controller's office attended the courses. Another chapter member offered to organize a study group to help them prepare. Course 2 will be offered in May.

Jody Breton, CGFM, an AGA Immediate Past Regional Vice President for the New England region, and Dave Lachance, CGFM, outgoing chapter president, were also instrumental in bringing the courses to Augusta, Newman said.

Newman admits that the idea of bringing the courses to Maine, which has a small chapter of about 140 members, was somewhat daunting at first, but getting help from other chapters, not to mention the support and encouragement of the state controller, made all the difference. "If anyone had said to me, this could be done, I wouldn't have believed it," she said.

AGA's First CPAG Breakfast a Success!

Relmond Van Daniker, Executive Director of AGA, and Tim Clark, Editor and President of *Government Executive*, moderated a discussion with Dr. Linda Combs, Controller, U.S. Office of Management and Budget (OMB).

AGA's FY04 Performance & Accountability Report

AGA's mission is to Advance Government Accountability and, as such, has taken on "walking the walk" by reporting its own performance. Here is AGA's first Performance and Accountability Report. AGA has learned a lot about its operations and how programs satisfy goals and overall mission by this process. As AGA continues to grow and institutionalize this information, managing for results, budgeting and personnel evaluations will be tied to performance measure information available throughout the year.



Lee Ann Watters, Central Kentucky's Newest CGFM!

By Lydia Reynolds

Lee Ann Watters, a senior manager at Mountjoy & Bressler, LLP recently received the designation of Certified Government Financial Manager. After months of preparation, Lee Ann completed the certification process by passing the final exam section in November. Lee Ann had been interested in the CGFM since joining AGA, and promised herself that she would attain the certification when self-study materials were available. The recent release of study materials helped her fulfill that promise.

When asked about her desire to become a CGFM, Lee Ann said that she desires to advance government accountability through the performance of government audits. Also, she feels that studying for and passing the exam has given her a better understanding of how she can present information to government financial statement users in a more meaningful way.

Congratulations to our newest CGFM!



**Treasurer's Report
For the Months of October & November, 2005**

By Phil Nally

OPERATING ACCOUNT

<i>Beginning Bank Balance</i>	\$ 3,005.65
Revenue:	
Local Dues	\$ 80.00
Interest	4.67
Total Revenue	84.67
Expense:	
Speaker Gifts	\$ 243.20
Sep-Oct Meeting Subsidy	190.65
Nov. Meeting Subsidy	101.74
Door Prize	15.00
Total Expense	550.59
<i>Ending Bank Balance</i>	<u><u>\$ 2,539.73</u></u>

EDUCATION ACCOUNT

<i>Beginning Bank Balance</i>	\$ 4,760.53
Revenue:	
Registrations	\$ 4,125.00
Total Revenue	4,125.00
Expense:	
Speaker Fee	\$ 2,000.00
Door Prizes	101.90
Total Expense	2,101.90
<i>Ending Bank Balance</i>	<u><u>\$ 6,783.63</u></u>

a letter to the Governor's office asking him to declare the month of March CGFM month.

The Central Kentucky Chapter of AGA will hold their monthly meeting on November 3, 2005 at the Office Pub and Deli in Frankfort, Kentucky

A couple of ideas for scholarship fundraisers were discussed during the CEC meeting.

Holding a fishing tournament in the spring was brought up by Amy Small. This item will be discussed further in the future. The Texas Hold'em tournament was also discussed, as of this time this item is on hold due to a \$1,000 rental fee for the bingo hall. Sharon Parish discussed the scholarship applications that she will be sending out to schools across the state. Rick Waddle made a motion to increase the scholarship to \$1,000; the motion was seconded and approved.

Amy Small would like to encourage people to remember to save their pop tabs and bring them to meetings for one of our community service projects. Also we need to encourage people to bring their can foods for our food drive. Our Thanksgiving and Christmas community projects were discussed. Several ideas were discussed; we have decided to look into doing something for Simon House in Frankfort, as well as gift baskets for Christmas. We also discussed holding a supply

drive that we could then donate to Simon House for the new mothers.

Phil Nally, treasurer, discussed the end results of our October A&A update held on October 10-11, 2005. The per person rate increased by \$20 this year over last year due to an increase in the room rental fee and the cost of food. Phil estimates that we will have a profit of approximately \$4,000 this year. In the future we may want to discuss holding the update somewhere other than the Holiday Inn.

The CEC meeting was dismissed.

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He is a frequent contributor to financial management industry professional journals and is the co-author of 10 books and monographs. Van Daniker received AGA's Author Award in 1983, and the AGA National President's Award in 2001.

A native of Baltimore, MD, Van Daniker received his undergraduate degree in accounting from Loyola College, an MBA in finance and a DBA in accounting from the University of Maryland. He is a member of AGA and the AICPA.

We are very honored to have Mr. Van Daniker as our guest at the January meeting and look forward to seeing all of you

What is Performance Reporting?

Julie Bryant, National Director for Performance Reporting

Let me give you an example:

If you gave your son or daughter \$150 to buy school clothes, what would you expect? A couple of shirts, may a pair of slacks, maybe more? But what if they came home with only one pair of sandals. Would you be so inclined to give them money to do their own school clothes shopping next time? I sure wouldn't!

So how does this relate to performance measures? Well when the budget provides funding, or when citizens pay their taxes, they too have certain expectations. Not that all the money is just spent, but that it was spent efficiently and effectively.

Now your child may have known that these sandals were a deal at \$150, because they were usually \$200, but that is really not the point, nor was that the objective. The child thinks they did a great job, but not according to the parent's expectations.

By setting targets and measuring against those targets, helps management measure how well they are performing relative to expectations.

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