

GOVERNMENT E-NEWS

E-NEWSLETTER FOR AICPA MEMBERS IN GOVERNMENT

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DEAR MEMBERS

The roller coaster ride of 2008 continues. Who could have predicted the events of 2008 at this point in 2007? The campaigns and elections are now behind us and the hard work of addressing the many challenging choices our nation faces in the short term and long term is just beginning. CPAs in government will be more important than ever as you help government leaders who will be struggling with revenue and spending issues at all levels.

All CPAs who work in government roles can be especially proud to have Ernest A. Almonte as the first government official to lead the AICPA. Ernie is a dynamic leader for all CPAs. His belief that “The actions of the individual matter and CPAs collectively can make a difference” rings true regardless of where we work ... in government, business and industry, public practice, education, etc. I encourage you to learn more about Ernie’s Leadership Academy initiative to see if you might have an interest in preparing for future volunteer leadership roles for the CPA profession.

In September the Government Performance and Accountability Committee held their semi-annual meeting at the Massachusetts Society of CPAs offices in Boston MA. We were pleased to welcome Ernie to the meeting and hear of how he was a member of the government committee at one point during his volunteer career with AICPA. The GPAC also completed their third panel session for university students regarding government financial careers. Student response has been very positive to this effort.

As a member organization it is critical for us to understand more about you so we can serve you to the best of our abilities. Please take a just a few minutes and click on this link to review and update your member profile information (www.aicpa.org/my+account). Your input will help us better plan and deliver programs, products and services that address your current and future needs. Thank you for doing this.

Please do not hesitate to contact me directly at cmckittrick@aicpa.org if you have any questions, comments, thoughts or ideas as to how we can help you.

Best regards,

Christopher T. McKittrick, MBA, CPA
Director of Members in Business, Industry and Government.

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AICPA NEWS

Ernest Almonte Becomes the first Government Official to Lead the AICPA

History was made on October 21, 2008 when Ernest (Ernie) Almonte, auditor general of the State of Rhode Island, became the first government official to serve as chair of the AICPA since the organization's founding in 1887. In an [interview with the Journal of Accountancy](#), Almonte said "I'm very proud to be the first chairman of the AICPA to come from the government sector. I want people to be aware of the critical role that CPAs serve in government."

In his [inaugural speech](#) Almonte encouraged all CPAs to focus on using their integrity and expertise to help guide the country through the current financial crisis. "As a CPA in government, I have seen how an action we took saved our city or our state millions of dollars. The actions of the individual matter and CPAs collectively can make a difference."

In addition to supporting the AICPA's overall goals, Almonte is leading a new initiative to develop leadership skills in young CPAs with between three and eight years of work experience. Called the Leadership Academy, it will take a diverse group of young CPAs and put them through a program that will include leadership training, one-on-one coaching and an emphasis on being involved in the profession through volunteer organizations. The goal is to prepare the volunteer leaders of the future for the CPA profession.

Government Performance and Accountability Committee (GPAC) Update

In September the Government Performance and Accountability Committee held their semi-annual meeting at the Massachusetts Society of CPAs offices in Boston MA. At the meeting the committee reviewed the progress being made on several of their key projects including the recruitment of young CPAs and accounting students to government, the Government Resource Center pages on the Financial Management website and improving the visibility of government CPAs. A highlight of the meeting was the panel session on government financial careers that the committee held at Bentley College. This is the third such session that the committee has held and at each one the student response has been very positive.

In October the committee said farewell to three members who had completed their terms. Leaving the committee after three years of valuable service are Auston Johnson, state auditor of Utah; Edna Knight, Deputy Director, Standards for Operations, Defense Finance and Accounting Service (DFAS); and Mack Shealy, Chief Financial Officer for the Central Savannah River Area Regional Development Center (CSRA RDC). These members have provided dedicated service and helped greatly in moving projects forward. The AICPA and the committee thanks all for their service.

At the same time the committee welcomed three new members. Joining the committee are Gina Humphreys, Assistant County Administrator - Finance Division Director, Anderson County, S.C.; Martha Mavredes, Deputy Auditor for the Commonwealth of Virginia Auditor of Public Accounts (APA) and David Mitchell, Internal Review Director, HQ U.S. Army Forces Command. These new members all have extensive backgrounds in government, accounting and as volunteers in professional organizations including the AICPA, State Societies and other governmental organizations.

To learn more about volunteering for the GPAC or any other AICPA committee you can visit the [AICPA Volunteer Services website](#). Applications are now being accepted for the 2009/2010 volunteer year.

Financial Literacy

With all the economic turmoil of late, now might be the perfect time to start a Financial Literacy program at your office. The program could involve brown bag lunches, formal programs or something as simple as making your co-workers aware of the resources available on the AICPA

NEWS FROM THE AICPA GAQC

Call on HUD Multifamily call archive available

The AICPA Government Audit Quality Center (GAQC) has made an archive of a call titled, [The New Multifamily Housing Chapter of the HUD Consolidated Audit Guide](#) available to the public. Originally intended for GAQC members who perform U.S. Department of Housing and Urban Development (HUD) multifamily housing audits this call would also be of interest to government members involved in these audits. The call focuses on the long-awaited revisions to [Chapter 3, HUD Multifamily Housing Programs](#) (Chapter 3), of the *HUD Consolidated Audit Guide* (the HUD Guide) in July 2008. Chapter 3 (which was formerly Chapter 4 of the Guide) is effective for audits of profit-motivated sponsors/entities with fiscal years ending on or after December 31, 2008.

SAS No. 112 Superseded by New SAS No. 115

The AICPA Auditing Standards Board (ASB) recently issued Statement on Auditing Standards (SAS) No. 115, [Communicating Internal Control Related Matters Identified in an Audit](#), which supersedes [SAS No. 112](#) of the same name. The Government Audit Quality Center (GAQC) has published an alert outlining why the change was made, what major changes are resulting from the new SAS and the implication of those changes for governmental audits. While designed for GAQC members, it has been made available to the public. You can read the alert on the [GAQC website](#).

GOVERNMENT ACCOUNTING NEWS

Results of IFAC survey on Performance Measurement in Government

In May, we invited AICPA members in Government to participate in a survey sponsored by Professional Accountants in Business (PAIB) Committee of the International Federation of Accountants (IFAC). The survey was created to obtain information about the development of financial and non-financial performance measurement and reporting structures in various public sector (government) entities around the world. The results of this survey will help professional accountants in business, and others who work in the public sector (government), in evaluating and further improving their own financial and non-financial performance measurement structures. This will enable them to better plan, execute and control their organization's service delivery and to achieve a higher level of accountability. The results will also help IFAC's PAIB Committee to consider specific public sector aspects when developing International Good Practice Guidance for professional accountants in business.

The information paper [Developments in Performance Measurement Structures in Public Sector Entities](#), which contains the results of this survey, is available for free download from the PAIB section of the IFAC online bookstore at www.ifac.org/store.

Implementing Enterprise Risk Management in Washington State Government

Are you involved in Enterprise Risk Management for your government agency? Then you may be interested in this [overview of a presentation](#) given by Drew Zavatsky, who oversees the work of the Loss Prevention Group in the Washington State Office of Financial Management's Risk Management Division, at the Enterprise Risk Management (ERM) Roundtable sponsored by North Carolina State University in Raleigh NC on the November 7, 2008. In his presentation Zavatsky provided an overview of how ERM is being implemented in Washington's state agencies and the ERM training that the Loss Prevention Group provides. He also outlined a seven-step ERM method that is used by Washington State.

GASB Explains Service Efforts and Accomplishments Reporting Project

GASB has released a new document [Basic Facts about Service Efforts and Accomplishments Reporting](#). This 2-page document provides basic information about the SEA project including what it is, why SEA is important and what the current status of the project is.

Publications

One-Stop Shopping – New Catalog Available

Do you need training or CPE? Then check out the Fall/Winter 08/09 **AICPA** CPE self-study [Government & Not-for-Profit Catalog](#). This catalog lists all the CPE, publications and conferences of interest to CPAs working in the government and not-for-profit sector.

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