

The Indy Observer

~For the Indianapolis Chapter of the Association of Government Accountants~

April 2011

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MESSAGE FROM THE PRESIDENT

Our April meeting will be a joint meeting with the Central Indiana Chapter supporting state and city of Indianapolis and the Circle City Chapter supporting Homeland Security. We have common responsibilities between our organizations, so we will be presenting how DFAS manages the Trust Funds who pay retirement expenses for the military and the American Recovery and Reinvestment Act (ARRA) of 2009 executed by the Department of Defense. Our Chapters support finance and accounting organizations and we can find many examples where the business we manage is similar. These combined meetings provide a great opportunity to share how we execute government programs and the challenges and risks we face as leaders of our organization.

We have made final plans for our joint spring Professional Development Conference with the American Society of Military Comptrollers. The PDC is scheduled for May 24th at the Garrison. Our Education Committee has also scheduled monthly audio conferences for the remainder of our fiscal year as follows:

- April - "Fraud"
- June - "Internal Controls"

Remember to sign up for the "AGA/ASMC Wellness Walk" for April 30th at Fort Benjamin State Park. This is free to our members and our first 5K event planned to support continuing ways our chapter provides opportunities for members to improve their health and fitness. You can run or walk a 5K, but remember to bring a can of food as that is how you enter. All fitness levels are welcome to join us for this day of wellness. Plus, we're going to help feed the hungry by donating all canned goods collected to a local food shelter. One other key point - We will have fun!!!

Congratulation to next year's leaders supporting our chapter and thanks for volunteering to serve.

- President-elect (Michael Leist)
- Treasurer (Martha Welch)
- Treasurer-elect (Jose Munguia)
- Secretary (Meg Hart)

Please visit our home page located at <http://againdy.com/default.aspx>, to get information on training and other current initiatives our chapter is supporting.

Greg Schmalfeldt, CPA
President

The deadline for submitting articles and updates for the next newsletter is:
April 30
Please email submissions to Heather Crews at heather.crews@dfas.mil.

INSIDE THIS ISSUE:

CFO Act 20 Years Later – Lesson Learned?	2
Local PDC Information	3
National PDC Information	3
CEC Minutes	4
Listening: The Key to Effective Business Relationships	5
Chapter Directory	6



THE CFO ACT 20 YEARS LATER: WHAT WORKED? WHAT DIDN'T? LESSONS LEARNED?

MARCH 17TH, 2011

[HTTP://WWW.AGACGFM.ORG/DOWNLOADS/CFOWHITEPAPER.PDF](http://www.agacgfm.org/downloads/cfowhitepaper.pdf)

The Improper Payment Elimination and Recovery Act of 2010 (IPERA) enacted on June 22, 2010 required the Chief Financial Officers Council (CFOC) and Council of Inspectors General on Integrity and Efficiency (CIGIE) to jointly examine the lessons learned in implementing the Chief Financial Officers (CFO) Act of 1990. They are to identify reforms or improvements, if any, in the federal financial management legislative and regulatory compliance framework. Per IPERA, any recommended changes should facilitate "publishing relevant, timely and reliable reports on government finances and implementing internal controls that mitigate the risk for fraud, waste and error in Government programs." IPERA charged the joint group to consult with a broad range of government financial management experts in developing their report to Congress and the comptroller general, due within one year. A full list of working group members is included as Appendix A.

On March 17, 2011, AGA sponsored a CFO Act Summit to hear thoughts and ideas on lessons learned and reforms/improvements related to the CFO Act 20 years after it became law. Participating in the Summit were members of the joint CFOC/CIGIE working group. The CFO Summit agenda was comprised of three panels focused on different topic areas related to implementation of the CFO Act.

The central question raised to the group at the beginning of the Summit was: ***What, if any, statutory changes are needed to enhance the CFO Act and improve federal financial management?***

All panels were comprised of financial management and audit professionals from AGA's Corporate Partner organizations along with one academic member. The discussion focused on both the foundational improvements accomplished in many agencies as a result of the CFO Act along with areas where greater value can be derived by strategically extending the CFO's stewardship responsibility to better support programs and mission. The panel focus areas were financial reporting, financial audits and other issues related to the role of the CFO and CFO responsibilities. The complete agenda for the Summit and other participants is included as Appendix B.

Financial Reporting

The financial reporting discussion centered initially on the need to improve the communication of financial information to the public. New ways to leverage today's technologies should be explored to more effectively communicate the financial condition and financial/performance results of federal programs. In recent

years reporting has expanded to include detailed spending information reported on government websites to a technical audience. Overall, questions remain about the utility and usefulness of the collective financial information reported. One of the target areas where financial reporting can be improved is in the area of program cost. The discussion concluded by noting that the CFO Act and other related statutory requirements provide the organizational structure and accountability framework for federal financial reporting. While changes in the regulatory requirements, in terms of the financial reporting model, could help to enhance financial reporting, statutory changes to the CFO Act were not recommended.

Financial Audits

The discussion surrounding financial auditing focused on assessing the value and nature of the federal financial audit process. Financial audits have contributed positively to the development of improved financial processes and internal controls. During the early implementation of the CFO Act agencies and auditors struggled for months after the end of the fiscal year to prepare and audit financial reports. Now most agency financial processes and internal controls have been improved to the point where this can be done within 45 days. The improvements provide a foundation of key processes and controls to support financial data integrity throughout an agency. Auditing at only the government wide level would increase the materiality to the point where there would be a reduced focus on agency financial operations and controls. Also, GAO relies on the financial audits of 35 significant entities across government in conducting the audit of the government-wide financial statements prepared by the U.S. Department of the Treasury. Concerns were raised about the integrity of detailed spending information provided to the public and the need to proactively address controls and assurance in this area. No changes to the CFO Act were recommended.

Other Issues

The other related issues panel focused mostly on the role of the CFO and CFO responsibilities. There was broad agreement that CFOs should have budget, planning, performance and accounting within their purview to be most effective. Strategically linking these areas better to support programs and agency missions is an area where CFOs can play a greater role. In addition, CFOs should look to play the role of chief risk officer and identify business risks across agency programs along with better analysis and information to manage the risks.

CONTINUED: THE CFO ACT 20 YEARS LATER - WHAT WORKED? WHAT DIDN'T? LESSONS LEARNED?

MARCH 17TH, 2011

[HTTP://WWW.AGACGFM.ORG/DOWNLOADS/CFOWHITEPAPER.PDF](http://www.agacgfm.org/downloads/CFOWhitePaper.pdf)

One of the most fundamental responsibilities of the CFO is to ensure the integrity of data. By taking a more strategic approach to articulating financial objectives, implementing financial management initiatives and communicating their value and importance, CFOs can improve the awareness and effectiveness of their operations. Following brief remarks from panel members, the floor was opened for questions and general discussion. There was a recommendation that the CFO Act be changed to define the CFO's responsibilities to include budget, performance management and financial management and that the deputy CFO's responsibilities be more clearly delineated. A summary of the discussion and central points made during each panel session is described in the white paper that can be found at <http://www.agacgfm.org/downloads/CFOWhitePaper.pdf>

Local Joint Professional Development Conference

AGA along with ASMC will be hosting a Joint Professional Development Conference on Tuesday, May 24, 2011 at the Garrison. Tickets will be \$75 for Members and \$100 for Non-Members; 8 CPEs will be available.

Program Content:

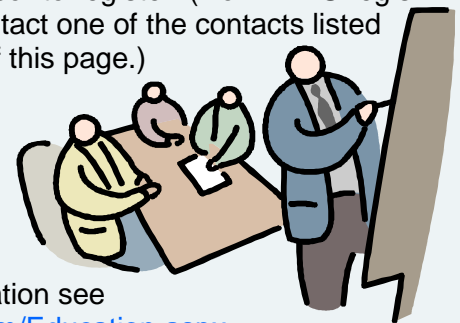
Educational presentations on Enterprise Resource Planning (ERP), Criminal Investigation Audits, Quantitative Analysis, Ethics and more!

Learning Objectives:

Obtain an overview of current topics in the field of professional development, finance, ethics, information technology, economics, and/or accounting. Participants will be able to apply the information pre-

sented to tasks performed in their individual work areas, as well as apply the concepts learned to issues high-level organizational issues.

Registration is due no later than May 6, 2011. Contact your supervisor to register. (Non-DFAS registrants should contact one of the contacts listed on the left side of this page.)



For more information see <http://againdy.com/Education.aspx>

AGA's **60th** Annual Professional Development Conference & Exposition

JULY 10-13, 2011
24 CPE HOURS

ATLANTA, GA
ATLANTA MARRIOTT MARQUIS

Register now! www.agacgfm.org/pdc

NATIONAL PDC DETAILS

Mark your calendar for **July 10-13, 2011** and make plans to join us in Hotlanta for AGA's 60th Annual Professional Development Conference & Exposition (PDC)—*the* premier education and networking event for government financial managers and accountability professionals. The theme for this year's conference is "Celebrating Our Past, Embracing the Future."

The PDC is the authoritative source for the knowledge and contacts you need to succeed in today's constantly changing environment. Offering 24 CPE hours, the conference covers the latest research and information about the American Recovery and Reinvestment Act, the constantly changing rules and standards, new management techniques, technological advances and practical tips for bringing greater efficiency to government operations. The PDC offers a comprehensive program, captivating speakers, lively discussions, top-quality education sessions, and equips you with knowledge and skills you need to be a more effective leader.

Please visit the PDC website for more information. <http://www.agacgfm.org/pdc2011/index.htm>

CEC MINUTES – MARCH 2011

ATTENDEES: Megan Nethery, Camille Schultz, Kelly Wagenmaker, Jeannie Allen, Andrew Tyler, Carlton Carley, Tom Spahr, Charlie Pollis, Maranda Summers, Mary Carson, Meg Hart, Audra Pera, Sam Graham, Shane Douglas, Tamra Vincent

OPENING REMARKS

President – Greg Schmalfeldt

Begin 8:05am

Greg will be presenting at the National PDC on Corporate Sponsorship Committees highlighting the value added to the Chapter and how you can do this on a small, medium or large scale. Greg recommends recruitment of contractors into AGA Chapter as a Chapter growth opportunity; contractors have participated in the past with one even serving as President of the Chapter one year

TREASURER NOTES

Treasurer – Maranda Summers

February Report

\$47,700 Net Worth and 207 attendees at February Luncheon!

SECRETARY NOTES

Secretary – Jessica Wisler

2011-12 Program Year Committee Chairs—Citizen Centric Report Chair is still open. The committee works with the community to develop a layman's report to understand what is going on within a city's finances. Committee has experienced reluctance from City's in the past to disclose financial information to this extent. Greg recommends asking President-elect if we want the committee and he also asks about our point status.

Secretary will follow up with Kim Mitzner for a point status.

Nominating process for elected positions—Greg Schmalfeldt, Laura Jankovich, Melissa Jacob comprises the nominating committee_SLM RSVP must be submitted by March 4th

COMMITTEE NOTES

Awards Committee – Shane Douglas

Awards banquet approval—Shane requests \$4,417 for the awards program/banquet. Goal is to have 100 attendees, Date TBD – May consider having it into the next program year, i.e., July Shane motions for approval, Jessica seconds, the motion is unanimously approved

CGFM Coordinator – Tom Spahr/Dan Neumann

Denise Gallion just passed her last CGFM test and Tom will submit to the newsletter. Proceeding with the purchase of 3 sets of new study manuals; the purchase was approved as part of this year's budget. Two free sets should be coming due to having enough people scheduled for the tests by the deadline.

Citizen Centric Reports Committee – Terri Droeger

If anyone takes the citizen centric reports chair, Katie Buck stills has all the info and folders

Corporate Sponsorship Committee –Jamie Whitman/Andrew

Tyler/ Jeannie Allen

Corporate Sponsorship budget items—Actual revenue \$4,050, Projected expenses \$1,965, Available Funds \$2,085 to split 50/50 between membership benefits, i.e., recognition, and education. Andrew asks where the available funds will reside Greg recommends retaining funds within Corporate Sponsorship

Education Committee – Megan Nethery/Audra Pera/Camille Schultz

Spring PDC Update: 1/2 of the speakers are booked. Date moved from May 17th to May 24th at the Garrison "Challenge of Change" is the theme. Awaiting response from DFAS-IN Operations to determine how budget constraints will affect funding for Spring PDC. Potential exists to discount per person cost. \$125 for members reduced to \$75 by AGA \$150 for non-members reduced to \$100 by AGA. Upcoming Audio Conferences: Wednesday, March 9th (2:00-3:50) Conference Room 222-R "Planning, Conducting and Reporting Performance Audit Work Even More Efficiently: Additional Tools to Improve Your Office's Performance Audit Productivity" Wednesday, April 20th (2:00-3:50) Conference Room 222-R "Fraud" Wednesday, June 8th (2:00-3:50) Conference Room 222-R "Internal Controls" – received this as credit in lieu of February audio conference that was canceled due to snow

Membership Committee – Kelly Wagenmaker

Upcoming Membership Event—Cash Back Recruiting March 16 Labib and Kelly are working and plan to hold it in building but are awaiting GSA approval. Baseline membership at beginning of program year was ~300; 40-50 new members to-date this program year

Newsletter Committee – Anne Ulrich

Two newsletters (Jan and Feb) ready to go, just need President's letters. Greg anticipates getting these done today

Wellness Committee –Charlie Pollis, Marilyn McGee & Brooke Moore

Biggest Loser update—Final weigh-in April 5. AGA had a higher % weight loss (134lbs to-date/5 lbs per erson) than ASMC (60lbs to-date). Wellness Walk April 30 at Fort Ben State Park. Trying to keep it free for members and family members Non-members cost would be only \$5 per vehicle to offset facility fees. 1 to 1 ½ mile walk and 5k run, Looking at potential for a 10k but still gauging interest. Door prizes and snacks will be provided. L.A. Fitness promotion expires end of March, Pedometers are now available on the e2e website

BOARD OF DIRECTORS NOTES

March 17th Luncheon will host Mr. Bergmeyer speaking on Audit Readiness

Ticket sales end March 8th

ADJOURN: 8:50am

LISTENING: THE KEY TO EFFECTIVE BUSINESS RELATIONSHIPS

BY KATHI GRAHAM-LEVISS



Here's a little saying that you might have heard before. "When you rearrange the letters in the word 'listen' you get 'silent'." The point being that if you are quiet, you will be a good listener. Perhaps, but there is more to effective listening than simply remaining quiet while others speak. In fact, there's so much more to listening that it can be called the key to effective business relationships.

Any good department head, corporate office or sales manager will tell you that one quality of a great leader is the ability to listen to what is not being said. This skill of audibly "reading between the lines" is one of the subtle but powerful differences between a supervisor and a true leader. The leader will be the one who can develop long-lasting relationships whether it be with employees, coworkers, clients or vendors.

Knowing What To Listen For

I'm sure - at one point or another - you have heard someone say, "Yes, that's what she said, but that's not what she meant". Understanding the behavioral aspects of those under your charge is one way to greatly improve your listening and relationship skills.

Regardless of which profile you might turn to for assistance, most companies who deal with behavioral analysis agree that four common styles exist. The behavioral style of your peers and employees also has a profound impact on their preferred communication style. Once you've determined which style individuals may fit into, you boost your ability to listen, to respond and to build solid and productive relationships.

Knowing How To Respond

Another key to listening is knowing how to - or if you should - respond. One story I once read told of a man who was always extremely popular at his office. Others from all around the organization would stop by to talk with him about their challenges. To hear this man tell the story, he really didn't do anything. But when you look deeper, you find that he understood "human nature".

He had a natural talent for knowing who needed responses from him and who simply wanted to get something off their chest. With certain people, he knew he should give short responses such as saying "yes" or nodding. With others he instinctively knew that he should remain silent throughout the entire conversation. And still others expected (and received) a dialogue from him during their conversations.

Most people, however, don't possess this natural ability. When you communicate with an employee, peer or customer without knowing their expectations for the conversation, one of two things usually happens. Either they might come away thinking you were completely uninterested because you offered no response whatsoever; or they might think you were overbearing because you continually interrupted them while they were speaking.

Being able to define the expected response that will help you further the relationship is a vital tool that you, as a leader, need.

Organizations who place a premium on their business relationships are finding that their sales personnel, customer service agents, operators, receptionists, assistants and leaders all become exceedingly more relationship oriented when discovering how behavioral styles impact communication. They also find that true listening and relationship building come much more readily once these tools are used. Is your business striving for relationship growth with customers or vendors? Listening is the key.

ABOUT THE OBSERVER

The Observer is AGA-Indianapolis Chapter's monthly newsletter which covers member and association activities on both the chapter and national levels. *The Observer* features developments within the profession, chapter news, and articles of interest to members. Opinions and beliefs expressed in *The Observer* are those of the contributors and do not necessarily reflect those of the association. We welcome and encourage members to send us original or reproduced articles that may be of interest to our members for publication in our newsletter. Editorial contributions, ideas, or suggestions should be sent to the Newsletter Chair. Heather.Crews@dfas.mil



Indianapolis Chapter Directory

2010-2011 Officers, Board Members , &
Committee Chairs

Position	Name	Term	Phone	Email
President	Greg Schmalfeldt	2010-2011	317-212-5858	greg.schmalfeldt@dfas.mil
President-Elect	Laura Jankovich	2010-2011	317-212-7084	laura.jankovich@dfas.mil
Treasurer	Maranda Summers	2010-2011	317-212-7471	maranda.summers@dfas.mil
Treasurer-Elect	Jose Munguia	2010-2011	317-212-5659	jose.munguia@dfas.mil
Secretary	Jessica Wisler	2010-2011	317-212-2647	jessica.wisler@dfas.mil
Previous President	Michele Gomez	2010-2011	317-212-7493	michele.gomez@dfas.mil
3 Year Board Member	Donna Cox	2010-2013	317-212-3022	donna.cox@dfas.mil
3 Year Board Member	Nate Pierce	2010-2013	317-212-3892	nate.pierce@dfas.mil
3 Year Board Member	Sam Graham	2008-2011	317-212-7851	sam.graham@dfas.mil
3 Year Board Member	Edmie Castillo	2008-2011	317-212-1398	edmie.castillo@dfas.mil
3 Year Board Member	Neil Anderson	2009-2012	317-212-7697	neil.anderson@dfas.mil
3 Year Board Member	Melissa Jacobs	2009-2012	317-212-1901	melissa.jacobs@dfas.mil

Committee	Chair	Co-Chair	Phone	Email
Awards	Shane Douglas		317-212-1933	shane.douglas@dfas.mil
Citizen Centric	Terri Droeger		317-212-3875	terri.droeger@dfas.mil
Community Service	Katie Crist / Rob Duncan	Brandi Hobson	317-212-6520	katie.crist@dfas.mil
Corporate Sponsorship	Jeannie Allen	Jamie Whitman	317-212-7830	jeannie.allen@dfas.mil
Early Careers	Jamie Whitman		317-212-0066	jamie.whitman@dfas.mil
Education	Megan Nethery	Audra Pera; Camille Schultz	317-212-3264	megan.nethery@dfas.mil
Meeting Arrangements	Tamra Vincent	Katherine Dallas	317-212-6138	tamra.vincent@dfas.mil
Membership	Kelly Wagenmaker		317-212-3487	kelly.wagenmaker@dfas.mil
Newsletter	Heather Crews		317-212-2347	heather.crews@dfas.mil
Programs	Meg Hart	Shane Douglas	317-212-4233	meg.hart@dfas.mil
Social	Amanda Illg	Sarah Pank	317-212-1412	amanda.illg@dfas.mil
Wellness	Charlie Pollis	Marilyn McGee	317-212-7404	charles.pollis@dfas.mil
CGFM	Tom Spahr	Dan Neumann	317-212-6880	thomas.spahr@dfas.mil
Chapter Recognition	Kim Mitzner		317-212-5025	kimberly.mitzner@dfas.mil
Historian	Brooke Neuerman		317-212-7403	brooke.neuerman@dfas.mil
Incentive Points	Melissa Jacobs	Erika Williams	317-212-1901	melissa.jacobs@dfas.mil
Photography	Andrew Tyler	Nate Pierce	317-212-3892	nate.pierce@dfas.mil
Publicity	Mary Jevlev		317-212-6604	mary.jevlev@dfas.mil
VITA	Jayne VanHorn	Sylvia Cornelius	317-212-6369	jayne.vanhorn@dfas.mil
Website	Chris Crews		317-212-8885	chris.crews@dfas.mil