



NASC Ends a Year Dominated by Change and Economic Stress

By Calvin McKelvogue, Chief Operating Officer, Iowa State Accounting Enterprise, and 2009-10 President of NASC



Join NASC President Calvin McKelvogue in Iowa in March

Several additional meetings will be held in conjunction with the 2010 NASC Annual Conference (see below). For complete details, including hotel and registration information, visit www.nasact.org.

NASC 2010: At a Glance

March 22

- NASACT Strategic Planning

March 23

- NASACT Executive Committee
- NASC CAFR
- NASC Executive Committee
- Benchmarking Forum
- Grant Thornton Survey Group

March 24

- NASC Conference

March 25

- NASC Conference
- NASC Business Meeting
- Iowa State Capitol Tour

March 26

- NASC Conference (until noon)

Where has the last year gone? I remember talking to Pat O'Connor and Kim O'Ryan last March about committee assignments and issues that would be relevant to comptrollers' offices in the coming year. After spending the past year dealing with the American Recovery and Reinvestment Act (ARRA) and the economic crisis, which decimated budgets in a majority of states, I now realize that some of those issues were never addressed, while new items that were not considered a year ago came to the forefront.

In my 29 years with state government, I do not remember tougher economic times or more difficult budget issues. In the early 1980s, Iowa struggled with the farm crisis and a serious decline in farm land values which resulted in some difficult budgets. In that instance, the non-agriculture economy continued to grow, allowing us to eventually resolve the issues. Iowa entered the recent recession in good financial shape, with strong financial reserves and a diversified economy. Still, Iowa has struggled to continue providing quality services while dealing with reduced revenues. This scenario has played out across the country, creating very difficult challenges for state comptrollers. Our budgets have been reduced and workloads have increased, even as we try to meet the needs of our constituent departments and the citizens of our states.

Comptrollers have stepped up in many states to lead in the development of ARRA reporting and accountability functions. NASACT and NASC played a leading role in working with the federal government to develop processes that met the requirements of the act and yet also allowed states some flexibility to design systems and reporting mechanisms they could support. The ARRA Information Sharing Group, led by Eric Berman

(MA), David McDermott (CO) and Clark Partridge (AZ), became an important source of information for comptrollers' offices as we planned for financial reporting requirements and worked to resolve key implementation issues. These three individuals, along with Fred Klass (CA), were instrumental in addressing the supplemental SWCAP process for ARRA: I thank them for their efforts on behalf of the entire state comptroller community. Finally, I can't mention ARRA without extending a big thank you to Cornelia Chebinou and NASACT's Washington office for conveying ARRA information so quickly. Iowa's ARRA team was amazed that I provided information to them before they received it from their contacts.

Eight new colleagues have joined NASC's ranks since we last met at the March 2009 annual conference. I would like to welcome them:

- Terry Brann, state controller (ME)
- Edgar Carter, state comptroller (NH)
- Tom Cook, acting secretary of finance (DE)
- Jason Dilges, commissioner, Bureau of Finance and Management (SD)
- Fred Klass, chief operating officer, Department of Finance (CA)
- Leila Malatesta, director of fiscal management, Department of Finance and Administration (MS)
- Wes Mohling, interim state accounting administrator, Department of Administrative Services (NE)
- Thomas White, state comptroller (AL)

In welcoming the newest state comptrollers, NASC's Outreach Committee, comprised of Sadie Rodriguez-Hawkins (WA), Donna Jones (ID), and Kent Olson (KS), serves an essential function,

(article continued, next page)

providing information about how NASC can assist them in their new positions. As new state comptrollers join our group, I encourage everyone, both new and current members, to reach out to each other to share knowledge and ideas. It is the collective gathering of our individual expertise that shapes NASC as an organization and determines our direction for the future.

Speaking of reaching out to others, I would like to offer a special thank you to Herb Maguire (PA) for his leadership and diligence in working with the Statement No. 51 Work Group. Herb has served as the chair of this group since its inception and has aided the group by inviting guest speakers and regularly polling the group to find out where they stand in regard to implementing Statement 51. Thank you, Herb, for all of your dedicated efforts! Lisa Avis from the Governmental Accounting Standards Board and Greg Driscoll with KPMG have also been particularly helpful as part of this group. I would also like to thank Eric Berman (MA) for his continued leadership of the Derivatives Implementation Network, as well as Randy Finden from GASB for his participation.

As I encourage you to communicate, I think it is important to note that NASC's annual conferences continually provide a valuable resource for networking and exchanging information. This year's annual conference will be held on March 24-26 in Des Moines, Iowa. While I understand the current budget issues that many of the states are facing may not allow for travel to the conference, I hope all who are able will be in attendance. The Program Committee has created an event that will address many of our most pressing current issues, such as the impact of budget issues on internal controls, three percent withholding on payments, standards updates, and several ARRA-related topics, to name a few. These are very relevant topics, and I would like to thank the Program Committee for their thoughtful work on our behalf: Clark Partridge, chair (AZ), Brenda Bolander (OK), Kim Garner (AK), John Reidhead (UT), Sadie Rodriguez-Hawkins (WA), Chris Sforza (WV), David Von Moll (VA) and Kim Wallin

(NV). Another important conference coming up is the fifth annual NSAA/NASC Middle Management Conference on April 19-21 in Oklahoma City. This conference promises to hold discussions on many pertinent subjects affecting us today.

I want to express my appreciation and thanks to Kinney Poynter and all his staff for the excellent administration and support that allow NASACT and NASC to function in such a consummate manner. As states have tightened their budgets, with NASACT following suit, Kinney and his staff have continued to be very responsive to each of our issues. Kim O'Ryan has done a great job of assuming the director position for NASC and is always prepared to assist with any information requests comptrollers have.

I would also like to thank the 2009-10 NASC Executive Committee members for their many contributions. They are Clark Partridge (AZ), vice president; Brenda Bolander (OK), secretary/treasurer; Kim Garner (AK), immediate past president; Richard Eckstrom (SC), Kim Wallin (NV), Sadie Rodriguez-Hawkins (WA) and Paul Christofferson (MT). The dedication of this committee, and the many other committees of NASC and NASACT, has been the strength of our organization and a continual resource for our members throughout the country.

Thank you for allowing me the opportunity to serve as your president this year. I look forward to all we will accomplish together in the future. ■

CALVIN McKELVOGUE is chief operating officer of the State Accounting Enterprise for the Iowa Department of Administrative Services. He is a member of NASACT's Executive Committee and is a past president of the Des Moines chapter of the Association of Government Accountants. He received a bachelor's degree from Drake University in accounting and is a certified government financial manager.



Register Now!

2010 NASC Annual Conference

March 24-26, 2010 ■ Des Moines, Iowa

The 2010 NASC Annual Conference will be held at the **Embassy Suites Des Moines on the River**. The rate for rooms is \$139/ single or double (plus taxes). To book, call the hotel at (515) 244-1700 and ask for the NASC 2010 Annual Conference rate. **The cut-off to receive this rate is Friday, February 26**, so make your arrangements today! Visit www.nasact.org for complete details.

New at www.nasact.org

- Visit www.nasact.org/nasact/committees/cara/downloads/recovery/2009_AGA_Grant_Survey.pdf to view the report entitled "Recovery and the Transparency Imperative: Annual CFO Survey."
- Visit www.nasact.org/nasact/positions/GASB.cfm to view NASACT's observations of the November 18-20, 2009, meeting of the Governmental Accounting Standards Board.
- Visit www.nasact.org/nasc/technical/index.cfm to view a state comptroller technical inquiry about "Moving to a Biennial Budget Cycle."

NASACT Seeks Input on GASB ED

On January 29, the Governmental Accounting Standards Board issued an exposure draft on *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This ED would directly incorporate into the GASB's authoritative literature accounting and financial reporting requirements applicable to state and local government financial statements that currently reside in the following pronouncements issued on or before November 30, 1989: (1) statements and interpretations from the Financial Accounting Standards Board, (2) accounting principles board opinions, and (3) accounting research bulletins of the Committee on Accounting Procedure of the American Institute of Certified Public Accountants. The appendices include information to assist in comparing the standards of this proposed statement to the standards in the FASB and AICPA pronouncements.

Due to the length of the ED, NASACT has broken it down into five sections. NASACT seeks input on the following sections:

- Sec. 1: Paragraphs 5-116 (pages 2 through 30)
- Sec. 2: Paragraphs 117-213 (pages 30 through 57)
- Sec. 3: Paragraphs 214-274 (pages 57 through 88)
- Sec. 4: Paragraphs 275-402 (pages 88 through 120)
- Sec. 5: Paragraphs 403-503 (pages 120 through 147)

The GASB has posed a list of questions in the ED. They can be found on page iii of the document. The board is also interested in all comments relating to this proposed statement.

The ED can be downloaded from the GASB's website at www.gasb.org.

NASACT will be preparing an association position on this ED. Please send your comments on any of the five sections above **by Friday, June 25**, to Kim O'Ryan at koryan@nasact.org or Sherri Rowland at srowland@nasact.org. ■

NSAA Seeks Input on AICPA SAS

The Auditing Standards Board of the American Institute of Certified Public Accountants has released for comment an exposure draft of a proposed statement on auditing standards entitled *Consideration of Omitted Procedures After the Report Release Date*. This proposed SAS would supersede SAS No. 46, *Consideration of Omitted Procedures After the Report Date*. This proposed SAS has been issued using the ASB's clarity drafting conventions; it can be found on the AICPA's website at www.aicpa.org/Professional+Resources/Accounting+and+Auditing/Audit+and+Attest+Standards/Exposure+Drafts+of+Proposed+Statements/.

The ASB is seeking responses to the two questions listed under the Guide for Respondents (on page 5 of the ED) as well as on any aspect of the exposure draft.

Through its Audit Standards and Reporting Committee, the National State Auditors Association will be responding to this ED. Please send your comments for inclusion in NSAA's response to Sherri Rowland by srowland@nasact.org **by Friday, May 7**.

NSAA is Now Accepting Excellence in Accountability Award Entries

The NSAA Excellence in Accountability Awards Committee is now accepting submissions for the 2010 awards. Awards will be given in three categories: performance audit (small), performance audit (large) and special project. This year, entries will be accepted for projects completed in the last two calendar years (2008-09). Entries must be received by 5:00 p.m. Eastern time on **Friday, March 5**. For additional information, e-mail Sherri Rowland at srowland@nasact.org. The application form and criteria may be downloaded at www.nasact.org/nsaa/awards_recognition/criteria.cfm. Of note, one change to this year's award program is that all entries must be submitted electronically.

NSAA is also seeking judges for the awards program. Those interested in participating as a judge should contact Ms. Rowland at the address above. ■

Scholarships Available for Middle Management Conference

NSAA's Auditor's Education Foundation Committee is currently accepting applications for scholarships for the 2010 Middle Management Conference scheduled for April 19-21, in Oklahoma City, Oklahoma. **Applications are due by Wednesday, March 10**. To request the application and get more details, contact Sherri Rowland at srowland@nasact.org. Scholarships are available only to staff in state audit offices. ■

Second ARRA Reporting Period Concludes, Issues Remain

Following the one-year anniversary of the American Recovery and Reinvestment Act and with the second round of ARRA Section 1512 reporting complete, frustration remains for states over federal agency guidance that differs from the overarching guidance provided to recipients by the U.S. Office of Management and Budget. Fear over more discrepancies in the future is causing further concern among reporting entities.

States have noted that varying interpretations, definitions and directives not only confuse reporting but seem to go against the core purposes of the act. Federal agencies appear to be adopting requirements that are inconsistent with the intent of ARRA and the overall guidance and solutions developed by the OMB and the Recovery Accountability and Transparency Board. The confusing and conflicting guidance is hindering the ability of states to implement, administer and comply with ARRA.

NASACT, along with several other state organizations including the National Governors Association and the National Association of State Budget Officers, has been communicating with the OMB on this matter. The groups have requested that the OMB limit the ability of federal agencies to issue guidance outside the requirements and data elements contained in the overarching ARRA implementation guidance. The groups further recommend that any changes to the guidance or additional/new requirements that federal agencies believe are absolutely necessary to carry out implementation of the Recovery Act be subject to a formal notice and comment period.

Of particular concern to states has been the Federal Highway Administration's (FHWA) request that states report their obligation amount as the total federal amount of ARRA funds received/invoiced. OMB guidance defines this as the amount of Recovery Act funds received through draw-down, reimbursement or invoice. Reporting information in this manner is in direct

conflict with state financial records, and therefore, will present a reconciliation issue during audits. States have been told that choosing not to follow the FHWA directive would result in non-compliance with the law, even though reporting as directed by the FHWA will result in misconceptions and misrepresentations of the actual financial transactions. The OMB is cognizant of the audit issue and has agreed to discuss the matter in more detail with the FHWA.

Additionally, the U.S. Department of Education's interpretation of when an internal agency is considered a sub-recipient is problematic. Apparently, the U.S. Department of Education is strictly enforcing guidance requiring that ALL state institutions of higher education (IHEs) be reported as sub-recipients for the State Fiscal Stabilization Fund Grant. This is contrary to earlier clarification by the OMB of when a state agency/department/arm of the state is to be treated as a sub-recipient and is problematic for state accounting systems. Many states have automated data accumulation systems to accept financial information from their accounting systems. The accounting system records are constructed to support financial reporting dictated by the Governmental Accounting Standards Board. GASB Statement No. 14 defines the financial reporting entity and dictates whether a state records payments to IHEs as sub-recipient payments or internal transfers. When an IHE is in the reporting entity, a payment is classified as an internal transfer, and when the IHE is outside the reporting entity, the transaction is classified as a sub-recipient payment. Therefore, labeling all state IHEs as sub-recipients may be contrary to GASB 14 definitions. The OMB has agreed to review this issue in more depth in light of the GASB standard.

NASACT and its partner organizations will continue to act as a liaison in attempting to remedy some of the problematic reporting issues.

If you have any issues that you feel are preventing efficient and effective reporting, please forward them to Cornelia Chebinou, Washington office director, at cchebinou@nasact.org. ■

GAO Issues Report on the Implementation of ARRA Tax Provisions by the IRS

On February 10, the U.S. Government Accountability Office issued a report entitled "Recovery Act: IRS Quickly Implemented Tax Provisions, but Reporting and Enforcement Improvements Are Needed."

This report (1) describes the status of the Internal Revenue Service's implementation of tax provisions of the American Recovery and Reinvestment Act of 2009; (2) examines whether the IRS captured or planned to capture data on the use of the provisions; (3) assesses the IRS's efforts to determine potential abuse of the provisions; and (4) discusses possible lessons learned for future tax administration. GAO analyzed the IRS's implementation and data-collection plans for each provision;

reviewed risk management documents from the IRS and the Department of the Treasury; interviewed federal and industry officials; and focused on five provisions implemented in 2009: Build America Bonds, Consolidated Omnibus Budget Reconciliation Act, First-Time Homebuyer Credit, Making Work Pay Credit, and Net Operating Loss Carrybacks.

The Recovery Act posed significant implementation challenges for the IRS because it had more than 50 provisions, many of which were immediately or retroactively available and had to be implemented during the tax filing season--IRS's busiest time. Some provisions affected the 2009 filing season (2008 tax year), while others mainly will affect the 2010 and 2011 filing seasons. ■

To view the full report, including recommendations from the GAO, visit www.gao.gov/Products/GAO-10-349.

Incentives and Accountability Work Group Seeks Input, Due Feb. 28

President Obama signed Executive Order 13520, “Reducing Improper Payments,” in 2009 to reduce improper payments by intensifying efforts to eliminate payment error, waste, fraud and abuse in the major programs administered by the federal government. Eight work groups were created by the U.S. Office of Management and Budget to address the aims of the Order.

One of the work groups, the Incentives and Accountability Work Group, is focusing specifically on improving incentives and accountability for states, local governments, and other entities receiving federal funds. This work group is seeking input from and collaboration with the recipient community to address the Presidential priorities outlined in the Executive Order.

Recommendations will be submitted by the group to the OMB for consideration in May 2010. Representing NASACT on the Incentives and Accountability Work Group are Glen Gainer, state auditor of West Virginia and president of NASACT; Martin Benison, comptroller of Massachusetts; and Kim Wallin, state controller of Nevada.

The group is seeking suggestions for specific incentives and accountability measures appropriate to reducing improper payments for major federal grant and disbursement programs.

To submit your ideas, send comments to Cornelia Chebinou, Washington office director, at cchebinou@nasact.org. The deadline for submission is ***Sunday, February 28***.

For additional information on the work of the Incentives and Accountability Work Group, please contact Ms. Pat Reese, Department of Health and Human Services, at (301) 443-0270 or preese@hsra.gov. ■

NASACT Participates on Two OMB Work Groups Aimed at Reducing Improper Payments

Eight work groups were created by the OMB to address Executive Order 13520, “Reducing Improper Payments.” NASACT was invited to participate on two of these groups - the Incentives and Accountability Work Group (discussed above) and the Single Audit Work Group. Participating on the first group on behalf of NASACT are Glen Gainer, state auditor of West Virginia and president of NASACT; Martin Benison, comptroller of Massachusetts; and Kim Wallin, state controller of Nevada. Participating on the Single Audit Work Group on behalf of NASACT are Debbie Davenport, auditor general of Arizona and president of the National State Auditors Association, and David Vaudt, state auditor of Iowa, and chair of NSAA's Single Audit Committee.

President Signs Statutory Pay-Go Resolution, Proposes Spending Freeze and Announces Bipartisan Fiscal Commission

A bill to put back into place lapsed pay-go rules was signed by President Barack Obama this month. “Pay as you go,” referred to as pay-go on Capitol Hill, requires that any new proposals must either be budget neutral or offset by other spending decreases or revenue increases. The President, in signing the bill, stated “Congress can only spend a dollar if it saves a dollar elsewhere.” The previous pay-go rules, which expired in 2002, were first enacted in 1990 and extended in the Omnibus Budget Reconciliation Act of 1993 and the Balanced Budget Act of 1997.

The President also proposed a three-year spending freeze on non-security discretionary spending. According to a statement by the White House, the freeze would exempt security-related budgets for the Pentagon, foreign aid, the Veterans Administration, and homeland security, as well as Medicare,

Medicaid and Social Security.

Additionally, the President announced the establishment of a bi-partisan commission to make recommendations on how to lower the federal deficit. Legislation attempting to establish such a commission faced resistance on Capitol Hill, triggering a decision by the President to establish the commission by Executive Order. The National Commission on Fiscal Responsibility and Reform will be co-chaired by former White House Chief of Staff Erskine Bowles and former Republican Senate Whip Alan Simpson.

According to a White House press release, the commission will:

- Make recommendations that put the budget in primary balance by 2015 and meaningfully improve the long-term fiscal outlook.
- Be comprised of 18 total members. Twelve members will be appointed by Senate/House leaders from sitting members of Congress (three each by the Republican and Democratic leaders of both chambers). The additional six members will be appointed by the President, with no more than four from the same political party.
- Report recommendations to Congress by December 1, 2010 (with 14 of 18 votes needed to report recommendations). ■

To view more news from Washington, visit www.nasact.org/washington/washingtonupdate.cfm for the *Washington Update*.

Association Notes

NASACT Partners on Research Papers on Grants Management, Recovery and Transparency

NASACT recently completed two research reports with corporate partners Accenture and Grant Thornton. These final reports are now available in the “What’s New” section at www.nasact.org:

- *Are States Ready to Manage Federal Grant Funds?* – a state comptrollers’ survey completed with Accenture’s assistance.
- *Recovery and the Transparency Imperative – Annual CFO*

Survey – a joint effort between Grant Thornton, NASACT, the Association of Government Accountants, and the Financial Management Institute of Canada.

NASACT will be hosting a webinar on Tuesday, March 2 from 2:00 to 3:50 p.m. Eastern time on the federal grants management topic. Kim Wallin, state controller of Nevada, along with speakers from Accenture, Computer Associates and Oracle, will be presenting. See below for additional information about this training opportunity.

NASACT, AGA and Grant Thornton are already at work on the 2010 CFO study. Results from the 2010 survey will likely be presented at the 2010 NASACT Annual Conference in Charleston, West Virginia, on August 9-11. ■

Register Now for NASACT's Next Webinar: March 2

Grant’s Management: Are States Ready to Manage More Federal Grant Funds?

Register now for the webinar “Grants Management: Are States Ready to Manage More Federal Grant Funds? Find Out Here!” The webinar will be held on Tuesday, March 2, at 2:00 p.m. Eastern time. This event is sponsored jointly by NASACT, the Association of Government Accountants and the Association of Local Government Auditors.

The American Recovery and Reinvestment Act of 2009 has presented unprecedented opportunities for state governments to compete for federal grant dollars. The use of competitive grants to distribute federal dollars is unlikely to go away. Since its introduction, ARRA has uncovered intriguing insights, including the intricacies of how grant funds are managed and reported across our governments. Some governments manage grants centrally, but most operate in a very decentralized manner. Gathering information on grants from the various agencies to comply with the quarterly reporting requirements under ARRA section 1512 has been challenging, to say the least.

NASACT and its corporate associate Accenture teamed up recently to survey state comptrollers to examine the current state of grants management. This webinar will highlight six specific findings from that study. Kim Wallin, state controller of Nevada, will share her experiences improving her state’s grants management capabilities. Oracle and Computer Associates will also provide demonstrations of some of the key capabilities of leading grants-management software. The webinar will address:

- What improvements can be made to gain efficiencies in grants management and reporting?
- Are states prepared to put their best foot forward to both win and execute the grants that the federal government is offering?
- Are states managing federal grants in an effective manner, whether on a centralized or decentralized basis, that will allow them to compete for these awards?

In addition to hearing scheduled segments from our speakers, participants will be able to ask questions during a live Q&A session at the end of the webinar.

This webinar offers something for all government auditors, comptrollers, grants managers, and other government officials playing a role in efficiently managing grants. Please share this opportunity with others who may be interested in this topic.

General Information

Date: Tuesday, March 2, 2010

Time: 2:00–3:50 p.m. Eastern time

Speakers: **Mark Howard**, Management Consulting Lead, Accenture
Kim Wallin, State Controller, Nevada
Cindy Schwimer, Executive Director, Public Sector Solutions, Oracle
Lisamarie Manso, Director, Vertical Solutions Strategy & Center of Excellence, Computer Associates

CPE: Two Credits

Cost: \$249.00 per site (unlimited attendance) if CPE is requested; \$0 if no CPE is requested.

Register: Register online today at www.nasact.org.

Note: A computer with Internet access and a phone are required for this event. An email will be sent Monday, March 1, by 4:30 p.m. EST to all who have registered for this conference with the instructions on how to join the conference and a link to the materials. Please note that the instructional email will be sent only to the email address attached to the registration.

Questions? Questions about the webinar may be directed to Pat Hackney at phackney@nasact.org or (859) 276-1147. ■

Mark Your Calendar: Upcoming Conference/Information Sharing Calls

To get information about joining a NASC group, contact Kim O’Ryan at koryan@nasact.org.

To join an NSAA group or the NASACT Committee on Accounting, Reporting and Auditing, contact Glenda Johnson at gjohnson@nasact.org.

Summaries of past calls and resources from these groups can be found at www.nasact.org (you must log in to the site to view the information).

National Association of State Comptrollers

- NASC Multi-State Consortium – March 4
- NASC Statement 54 Work Group – March 11
- NASC Transparency – March 16
- NASC Statement 51 Work Group – March 31
- NASC ERP – May 6
- NASC State Government Payroll – May 12
- NASC Travel and Purchase Card – May 19
- NASC E-Commerce – May 26

National State Auditors Association

- NSAA Human Resources – April 29

National Association of State Auditors, Comptrollers and Treasurers

- Committee on Accounting, Reporting and Auditing – May 18



Corporate Associates: Sign Up Today!

NASACT corporate partners—contact us today to find out how to join the NASACT Corporate Associates Program! The program offers your company various opportunities for exposure and participation at NASACT’s annual conferences as well as other benefits throughout the year, including a company listing on NASACT’s website. As a corporate associate, you will also receive copies of NASACT’s publications and e-distributions.

Whether your goal is networking, staying informed about state government finance, or participating in one of the premier conferences of the year for state government officials, the corporate associates program will benefit your company. The program has four levels of participation: platinum, gold, silver and bronze.

Benefits associated with these levels vary. To view the complete brochure outlining the benefits and to see which companies are currently members, visit www.nasact.org/nasact/corporate/index.cfm. Questions about the Corporate Associates Program may be directed to Donna Maloy at dmaloy@nasact.org or (859) 276-1147. ■



It's Not Too Early to Mark Your Calendar for NASACT 2010!

The NASACT Annual Conference Program Committee is working to develop the program for the 2010 conference scheduled for August 7-11 in Charleston, West Virginia. The committee wants your input on the program agenda! NASACT members are invited to complete the conference topics survey by visiting www.surveymonkey.com/s/2010NASACTAnnualTopics. Each respondent will be entered into a drawing to win a free registration to the conference (a \$600 value), so fill out the survey today! (The survey is open only to NASACT members.) Watch for more details on the conference in the near future!

News From Around the Nation

The IRS Seeks Input on New Compliance Tool for State and Local Governments

In order to assist state and local government employers and their legal and financial advisors in complying with federal employment tax laws and regulations, the Internal Revenue Service's Advisory Committee on Tax Exempt and Governmental Entities (ACT) has developed a compliance verification checklist. The checklist is now posted on the website of the National Conference of State Social Security Administrators at www.ncssa.org/whatsnewcombo.html.

The ACT/Federal-State-Local Government (FSLG) Subcommittee is asking state and local government employers' payroll officials, human resources professionals, and their legal and financial advisors to pre-test the draft Compliance Verification Checklist for State and Local Governmental Entities. All those who pre-test the form are also requested to visit www.surveymonkey.com/s/825RHY5 and complete an evaluation form **by March 15**. The evaluation form is structured to take less than

four minutes to complete.

The evaluation form may also be printed and submitted in hard copy, rather than online, by either of the following means:

Fax: (303) 318-8069 (ATTN: Maryann Motza)
Mail: Maryann Motza
Colorado State Social Security Administrator
Colorado Department of Labor and Employment
633 17th Street, Suite 700
Denver, CO 80202

All comments and suggested edits will be considered. A final recommended product will be provided to the IRS during the June 2010 public meeting. The final Compliance Verification Checklist and results of the evaluation will be reported in the June 2010 ACT Report, which will be available later that month on the IRS website at www.irs.gov.

If you have questions or need further information about the checklist, the ACT/FSLG Subcommittee's evaluation process, or other information pertinent to this project, please email or call Maryann Motza, project leader, at maryann.motza@state.co.us or (303) 318-8061. ■

NASACT Lifetime Member Robert Childree Joins Grant Thornton

Robert Childree, NASACT lifetime member and former state comptroller of Alabama, has joined Grant Thornton's global public sector practice as a director. Mr. Childree will work in the state and local government practice out of the firm's office in Alexandria, Virginia, as well as the firm's office in San Antonio, Texas.

Mr. Childree recently retired from the position of comptroller

of the state of Alabama, a position which he had held since 1987.

Mr. Childree is a past president of NASACT and the National Association of State Comptrollers. He also served as chair of the Financial Management Standards Board and as past president of the Montgomery chapter of the Association of Government Accountants.

Mr. Childree was recently notified that he will be awarded the William R. Snodgrass Distinguished Leadership Award by the AGA.

Mr. Childree earned his bachelor of science in commerce and business administration accounting from the University of Alabama in Tuscaloosa. ■

NASACT Lifetime Member Barbara Hafer Announces Bid for Congress

Barbara Hafer, NASACT lifetime member and former state treasurer and auditor general of Pennsylvania, announced recently that she will seek the House seat long held by late Congressman John Murtha.

Ms. Hafer will bring to the race a long record in elected office.

She served as a commissioner in Allegheny County in the 1980s, auditor general in the 1990s and treasurer from 1997-2005. She sought the GOP nomination for the governor in 2002, but after state party leaders coalesced behind then-Attorney General Mike Fisher, Ms. Hafer endorsed Democrat Ed Rendell, and switched parties the next year. She was also the Republican nominee for governor against Bob Casey in 1990.

Ms. Hafer is a past president of NASACT, having served in that capacity in 2002. ■

New Jersey Senate Approves Sidamon-Eristoff as Treasurer

The New Jersey Senate recently approved the nomination of Andrew Sidamon-Eristoff as state treasurer. Mr. Sidamon-Eristoff was nominated for the position by Governor Chris

Christie on January 19.

Mr. Sidamon-Eristoff is an accomplished leader in public sector budget, revenue and tax system administration. He earned a bachelor's degree, cum laude, from Princeton University and a juris doctor degree, cum laude, from Georgetown University Law Center. He also earned an advanced professional certificate in information technology from New York University. ■

Register Now for Middle Management 2010: April 19-21!

The National State Auditors Association and the National Association of State Comptrollers are pleased to announce the fifth annual Joint Middle Management Conference. This year's conference will be held April 19-21 in Oklahoma City. The conference features sessions tailored to address the training needs of middle management staff in the offices of state auditors and state comptrollers.

The conference will feature a Yellow Book update by Marcia Buchanan, assistant director, Government Auditing Standards, Government Accountability Office; and an update on standards from the Governmental Accounting Standards Board by Frank Crawford, president, Crawford & Associates. Participants will also hear from Scott Pattison, executive director, National Association of State Budget Officers; Vince Orza, dean of the Meinders School of Business, Oklahoma City University; Dr. Marla Sanchez, Spectrum Development; and many others!

Conference Hotel: Skirvin Hilton OKC

The Skirvin Hilton Oklahoma City Hotel is located in the heart of downtown and is within walking distance of many

area attractions: the Ford Center Arena, Bricktown Canal and Entertainment District, Bricktown Ballpark, Oklahoma City National Bombing Memorial, Oklahoma City Arts Museum, Civic Center, and the state capitol.

The special negotiated room rate is \$99/night single or double (plus applicable taxes). To book a room, call the Skirvin Hilton Hotel at (888) 460-6546 and ask for the Joint Middle Management Conference group rate. This rate will be available until Friday, March 19.

Getting There

The Skirvin Hilton Oklahoma City Hotel is located ten miles from the Will Rogers World Airport. Super Shuttle offers transportation for approximately \$17/each way; taxi service is approximately \$20/each way.

Register Today!

The **Middle Management Conference** will feature the following tracks:

- **Audit** (2 ½ days - April 19-21)
20 credits of CPE: \$425
- **Finance** (2 days - April 19-20)
16 credits of CPE: \$320

To register, visit www.nasact.org!

Registration and Additional Information

Registration is currently available, and a draft agenda is posted on NASACT's website at www.nasact.org in the Conferences and Training/Upcoming Events section. Questions about the conference may be addressed to Kim O'Ryan (koryan@nasact.org) or Sherri Rowland (srowland@nasact.org). ■

NASACT Addresses State Budget Woes With New Training Offerings



NASACT realizes that the current economic times are limiting the ability of states to send staff to conferences. However, the economic downturn does not stop the need for state staff to stay informed about current professional issues. To address this issue, we have

increased our efforts to provide training in a low-cost, convenient manner through training seminars and webinars.

The new 2010 NASACT Training Seminars Catalog is now available at www.nasact.org/conferences_training/nasact/seminars.cfm. This updated catalog provides a complete listing of classes that NASACT can provide to member offices at the site of their choosing (no travel required for your staff!). If you need a course that is not listed in the catalog, you still have options: we can build a custom seminar to address any training

need. The speakers come to you, and the pricing includes all fees associated with the event. We have a number of speakers available to address various topics, all with experience in state or local government. Most of our seminars are designed for two days of training; however, other options are available. If you are interested in learning more about the training seminars, please contact Fay Kurkky at (859) 276-1147 or fkurkky@nasact.org.

In addition to offering seminars that can be brought to you, we have also planned the following webinar opportunities through July 2010:

- March 2 – Grants Management
- April 14 – GASB Update
- May 11 – SAS 117, Compliance Auditing
- July 21 – Revised Government Auditing Standards

Registration for these events is now available at www.nasact.org/conferences_training/events.cfm. More specifics on the webinar agendas will be forthcoming in the future.

We hope these events will assist you in keeping staff current in professional developments during these tough economic times. If you have any questions, or have a topic that you'd like for NASACT to address in a webinar, please let us know by calling (859) 276-1147. ■

2010

- March 2 ■ Webinar: Grants Management – Are States Ready to Manage More Federal Grant Funds? Find Out Here!
- March 22 ■ NASACT Strategic Planning Committee Meeting, Des Moines, IA
- March 23 ■ NASACT Executive Committee Meeting, Des Moines, IA
- March 24-26 ■ NASC Annual Conference, Des Moines, IA
- April 14 ■ Webinar: GASB Update
- April 19-21 ■ NSAA/NASC Middle Management Conference, Oklahoma City, OK
- April 26-27 ■ Tennessee Training Seminar, Chattanooga, TN
- May 3-4 ■ Tennessee Training Seminar, Nashville, TN
- May 11 ■ Webinar: SAS 117 - Compliance Auditing
- May 13-14 ■ Tennessee Training Seminar, Morristown, TN
- May 19-20 ■ Tennessee Training Seminar, Jackson, TN
- June 15-18 ■ NSAA Annual Conference, Carefree, AZ
- July 21 ■ Webinar: Revised Government Auditing Standards
- August 7-11 ■ NASACT Annual Conference, Charleston, WV
- August 8 ■ NASACT Executive Committee Meeting, Charleston, WV
- September 28 - October 1 ■ NSAA IT Workshop and Conference, Tallahassee, FL

Register Now for the 2010 NSAA Annual Conference – Carefree, Arizona

By Donna Maloy, Conference Manager

Debbie Davenport, Arizona auditor general and president of the National State Auditors Association, invites you to attend the 2010 NSAA Annual Conference. The conference will be held in Carefree, Arizona, on June 16-18. NSAA's committees will meet on Tuesday, June 15.

With budget restrictions making doing business as usual difficult, there is no better time than now to come together with your peers and share ideas, success stories and lessons learned.

The NSAA Annual Conference Program Committee will be putting together a slate of sessions and speakers to address the pressing issues faced today by state auditors. Gene Dodaro, acting comptroller general, U.S. Government Accountability Office; David Bean, director of research, and Bob Attmore, chair, Governmental Accounting Standards Board; and Marcia Buchanan, assistant director, Government Auditing Standards, GAO, are just a few of the presenters already lined up.

Conference Hotel and Registration

The 2010 NSAA Annual Conference will be held at The Boulders. Nestled among the ancient boulders, vivid colors, and captivating wildlife of the Sonoran Desert, The Boulders is situated on 1,300 sprawling acres in the foothills of Carefree, Arizona, just outside of Scottsdale. The negotiated room rate is \$169/single or double plus applicable taxes. To book your room, contact the hotel at (866) 397-6519 and indicate that you are with the National State Auditors Association. To get this special rate, you must call before the **cut-off date of May 17**.

Online registration is now open. Additional details about the conference are available at www.nasact.org. Questions may be addressed to Donna Maloy at dmaloy@nasact.org or (859) 276-1147. Please plan to attend if you can! ■

NASACT News

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The next issue of *NASACT News* will be published in March 2010. To submit articles, photos or ideas, contact Glenda Johnson by March 12 at gjohnson@nasact.org or phone at (859) 276-1147.