



February 25, 2010

Training

Check calendar and register on-line.

Employment Opportunities

See openings or add an announcement.

VGFOA Certification Program

Course content & requirements.

Membership Directory

Contact someone, or update your information online.

VGFOA Board

Meet your Board, see committee assignments, and make contact.

Do you have a story to share?

Submit an article to the **Editor** for a future newsletter.

VGFOA's Strategic Plan!

Directions for the future.

PRESIDENT'S MESSAGE

Though February is the month for valentines and romance, it is also the time for Virginia's finance professionals to dig down and get serious about budget balancing. Many localities may already have their budgets balanced, but everything we are hearing from Richmond tells us our work is not over. In VGFOA, we are fortunate to have many of our members who stay keenly tuned to the goings-on in Richmond and can help fellow members understand the implications to local governments. State reductions are hitting us in several key areas, most notably K-12. 599 law enforcement funding is also down and funding of constitutional offices has been severely cut as well. We are hearing that the McDonnell administration is vehement that there will be no new taxes nor increases in the ones in place now, therefore we expect that these cuts will only get worse. What are we to do?

Well, folks, this is where we as the VGFOA kick in. Let's continue using our dialogue on the list serve to share ideas and brainstorm. We are a well-networked State organization, so pick up the phone and call some of the folks you know through VGFOA and see what they might be doing to address these tough times. This is a time when we need to find ways to reduce costs and generate additional revenues where those opportunities exist. The more we can partner with one another to provide services jointly, the better.

An exciting initiative we have begun is the VGFOA's presence on Facebook. This will be another great way for our members to share ideas and to help one another understand legislation and other issues. You can get to our Facebook page from the VGFOA [homepage](#). We'd like everyone to become a fan!

As I close, I would like to extend a warm welcome to incoming Roanoke City Manager Chris Morrill. Chris comes to Roanoke from Savannah, Georgia, where he served as Assistant City Manager. Chris currently serves on the GFOA Executive Board and has been active as an instructor of GFOA courses. We are anxious for him to become involved in Virginia's GFOA and are pleased to have a leader at the national level join our state organization.

Ann Shawver -President

INTRODUCING A VETERAN GOVERNMENT FINANCE PROFESSIONAL

Bruce W. Chase, CPA, Ph.D.

Bruce W. Chase, professor of accounting, is in his eighteenth year of service at Radford University. He is also the Director of the University's Governmental and

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NEWSLETTER COMMITTEE

Shakeel Yusuf – Chair
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Karen Cummings
Nancy Tracy

Nonprofit Assistance Center (GNAC). He is a CPA and earned both his MBA and Ph.D. from Virginia Commonwealth University. He serves as executive secretary of the Virginia Government Finance Officers Association (VGFOA). He has also served on the board of directors of the Virginia Society of Certified Public Accountants (VSCPA).

Prior to joining the faculty of Radford University, Bruce spent over 15 years in governmental and nonprofit accounting. He began his career with the Auditor of Public Accounts and then with Coopers and Lybrand. He served as Treasurer of Virginia Commonwealth University and later as chief financial officer of Southern Seminary College.

Bruce has written numerous articles on governmental and nonprofit accounting and is a frequent speaker on these topics. He has authored two national educational courses dealing with governmental and nonprofit accounting for the American Institute of Certified Public Accountants (AICPA). He also does extensive training on governmental accounting and reporting issues.

He was awarded the Association of Government Accountants' (AGA) National Education and Training Award in 2002, outstanding service award from the VGFOA in 2000 and the VSCPA's Broadus Award in 1997. He was also selected as one of the best CPAs (Educator) in Virginia by Virginia Business in 2005 and 2009.

Bruce has been instrumental in helping transform VGFOA into one of the premier state government finance organizations in the nation. He has also ensured that University of Radford's Governmental and Nonprofit Assistance Center (GNAC) provides logistic support to VGFOA. He has pioneered VGFOA's Certificate Program (V.G.F.O.C.). The purpose of this joint certificate program is to provide training in key areas for finance professionals working in state and local governments in Virginia.

(EDITOR'S NOTE: THIS IS THE FIRST IN A SERIES OF INTERVIEWS WITH GOVERNMENT FINANCE PROFESSIONALS ASSOCIATED WITH VGFOA.)

2010 SPRING CONFERENCE VIRGINIA BEACH MAY 12 – 14

Tired of the snow? There is always spring to look forward to. Guaranteed good times, high-quality CPE and great friends! Mark your calendars and begin making plans to attend the 2010 VGFOA Spring Conference. The 43rd annual VGFOA conference will be held May 12-14th at the Hilton Virginia Beach Oceanfront Hotel. You can earn 14 CPE again at this year's conference! [Register](#) for the conference through the VGFOA website. There are also still sponsor and exhibitor spots [available!](#)

Hotel registration is now open! [Reserve](#) your room now!

GASB ISSUES FINAL STATEMENTS ON OPEB MEASUREMENTS AND CHAPTER 9 BANKRUPTCIES

The Governmental Accounting Standards Board (GASB) has issued Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, and Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*. The Statements are intended to improve consistency in the measurement and financial reporting of other postemployment benefits (OPEB).

Statement 57 addresses issues related to measurement of OPEB obligations by certain employers participating in agent multiple-employer OPEB plans. (In agent multiple-employer plans, separate liabilities are calculated and separate asset accounts are kept for each participating government, rather than being administered and accounted for as a single plan as is done in a cost-sharing plan.)

The provisions of Statement 57 related to the use and reporting of the alternative measurement method are effective immediately. The provisions related to the frequency and timing of measurements are effective for actuarial valuations first used to report funded status information in OPEB plan financial statements for periods beginning after June 15, 2011.

GASB Statement No. 58 provides guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. It establishes requirements for recognizing and measuring the effects of the bankruptcy process on assets and liabilities, and for classifying changes in those items and related costs. Statement 58 is effective for periods beginning after June 15, 2009.

FAIRFAX COUNTY RESPONDS TO EXPOSURE DRAFT ON SERVICE CONCESSIONS ARRANGEMENTS

Fairfax County responded to GASB's call for comments on the Exposure Draft (ED) on Service Concessions Arrangements. The response communicated concerns regarding the potential unintended, negative impact on the apportioning of capital assets in public-public arrangements, which could lead to significantly negative unrestricted net asset balances in the entity that has financed the construction of the asset. The response also sought further clarification on key components of the ED. The County underscored the unique relationship between primary governments and their component units and urged GASB to exclude those public-public arrangements from the final pronouncement. As addressed in the ED, it appears that the reporting of intangible assets by the operator would lead to potential double counting of assets on a consolidated basis for government-wide reporting. On the subject of operating lease arrangements, the ED conflicted with existing guidance.

Additionally, GASB was asked to clarify:

- Definitions of a “right” and an “obligation” as used in the ED,
- Guidance regarding capitalization of related assets, and
- Clarification of the implications of “derecognition” of any assets previously recognized by the transferor.

FEDERAL UPDATE

IRS Announces 2010 Mileage Rates - 50 cents/mile

On December 3, the Internal Revenue Service announced the 2010 optional standard mileage rate for deductible costs associated with using a personal vehicle for business purposes (Revenue Procedure 2009-54, <http://www.irs.gov/pub/irs-drop/rp-09-54.pdf>). The rate is set at 50 cents per mile which is five cents lower than the 2009 rate.

Financial Services Reform Passes House

Includes Uniform Ratings Provision for Municipal Securities

The House of Representatives in December approved landmark legislation that brings significant change to the regulation of our country’s financial services sector. The bill, The Wall Street Reform and Consumer Protection Act of 2009 (H.R. 4173), contains numerous consumer protection provisions and increases oversight of banks and financial institutions. It also places greater accountability standards on credit rating agencies, mortgage lenders, and investment advisors.

The Act contains several provisions that are important to state and local government. These include: mandating uniform ratings for both municipal and corporate securities; regulating financial advisors, swap advisors, and GIC providers involved in the sale of municipal securities; and regulating the derivatives market. The legislation would not allow those state and local governments with less than \$50 million in discretionary investments to enter into derivative contracts unless the counterparty is regulated. The Senate is likely to take up the legislation in early 2010.

CHANGES TO JOINT VGFOA CERTIFICATION PROGRAM

The VGFOA Executive Board recently approved a change to one of the required classes for the VGFOA certificate program. Under the old requirement candidates were required to take the **Cash and Investment Management** class. With the new requirement either the **Cash Management and Banking** or **Short Term Investments** can count as a required class or as an elective. Note that anyone who has already completed the **Cash and Investment Management** class may take one of the new classes as an elective. If you have any questions, please contact Bruce Chase at bchase@radford.edu.

SHARE YOUR INNOVATIONS – WIN AN AWARD AND MORE! APPLICATIONS DUE BY JULY 15, 2010

The Awards and Membership Committee is now accepting applications for the **2010 Award for Innovations in Government Finance**. As an added bonus, along with the plaque and the prestige of winning an award, this year's winners will also receive one free fall conference registration and one night's lodging during the conference.

One award per population group, for a total of four, may be given. Award categories include but are not limited to: accounting, auditing, and financial reporting; policies and procedures; cash management and investing; and e-government and technology. The on-line application, as well as complete details including all award and population categories, is available at <http://www.vgfoa.org> under the Member Services link. The application deadline is July 15, 2010. Winners will be notified by September 1 and awards will be presented at the fall VGFOA conference to be held October 6 – 8 in Roanoke.

Competition for this award is tough with the committee looking for truly innovative ideas and not just automation of a process. In 2009, Fairfax County was the only award recipient, winning in the e-Government and Technology category for their Data Analysis and Retrieval Tool (DART) Project. Some recent past year's recipients include County of Fairfax Department of Housing and Community Development for their Tenant Collection and Cash Management Process, County of York for their Digital Check/Payment Package Lookup, and Roanoke City for their Billing and Collections: Parking Tickets program.

As a government finance officer, you have many different customers. Not only do you serve your citizens and your boards or councils, you also serve all of the other departments and agencies that comprise your locality. You work hard and deserve to be recognized for the innovative projects you have implemented for your locality. Put pen to paper (figuratively speaking, of course), describe your project, and apply for this award. If your project is selected, the VGFOA Board will be honored to recognize you and your locality's contribution to excellence in government.

VGFOA REGIONAL EVENTS

VGFOA NOVA REGIONAL TRAINING EVENT

The NOVA Regional Organization would like to thank **Cherry, Bekaert & Holland** for the excellent training that was provided on **February 23** at Tysons Corner, VA. Another CPE opportunity is in the works. Keep checking the VGFOA website and your email for other opportunities in training and networking!

VGFOA SOUTHWEST REGIONAL TRAINING EVENT

A “sellout” audience attended the **February 24** training on *Budgeting for Outcomes* by **Chris Morrill**, City Manager for Roanoke, and *Regional Revenue Forecasting and State Budget Impacts on Local Governments* by **John Layman**, Economist.

VGFOA CENTRAL REGION TRAINING EVENT SCHEDULED FOR MARCH 2010

The VGFOA Central Regional Organization is having a training event scheduled for Tuesday, **March 16**, 2010, from 8:30 a.m. – 3 p.m. at the Henrico County Training Center. Topics include an Economy Update, ARRA Update, GASB No. 54, *Fund Balance Reporting*, and other Accounting/Technology topics. The event cost is \$25 and includes lunch. Registration is available through the VGFOA website.

VGFOA HAMPTON ROADS REGION TRAINING EVENTS

BREAKFAST CPE EVENTS

7:30 – 9:00 a.m.

Includes breakfast and one hour of CPE for the very reasonable price of \$10 for VGFOA members and \$15 for non-members.

March 11, 2010 – Speaker TBD- Please save the date.

April 8, 2010 – *APA (a.k.a Auditor of Public Accounts) – Who is it and how does it impact your work?*

Quality Inn Lake Wright, 6280 Northampton Blvd, Norfolk
William “Bill” H. Cole, CPA, MBA, Partner, CB&H has more than 29 years experience. As a former deputy auditor with the APA Bill will tell us all about the APA, and address the APA’s responsibilities for local governments and constitutional officers. You will also learn about the APA requirements for local governments as well as the resources they provide.

Registration deadline: March 30, 2010.

May 6, 2010 – *Understanding Local Government Revenue Sources*

Quality Inn Lake Wright, 6280 Northampton Blvd, Norfolk
Vivian McGettigan, Director of Finance for the County of Hanover, will give a thorough introduction and overview of typical revenue sources for a local government. This foundational topic will help any governmental accountant increase their knowledge base.

Registration deadline: April 27, 2010.

June 10, 2010 – *The Story Behind the Numbers*

Quality Inn Lake Wright, 6280 Northampton Blvd., Norfolk
Donna Hildebrand, CPA, MBA, Controller for the City of Chesapeake, and **Terrie Pyeatt, CPA**, Director of Internal Audit for Virginia Beach Public Schools, will provide a look at how your organization’s numbers really tell a financial story. Practical techniques will be discussed that will help staff accountants analyze financial statements, account activity and internal controls.

Registration deadline: June 3, 2010

AFTERNOON TRAINING

May 25, 2010 – An Inside Look at GASB 54.

Virginia Beach Municipal Complex

Jack Reagan, CPA, Partner, KPMG LLP, and **Rob Churchman, CPA, Partner, KPMG LLP**, will talk about the changes in the way we will present our fund balance classification information including some new nomenclature required under GASB 54. This is a “don’t miss” for anyone responsible for any part of CAFR preparation. The event cost is \$20 and will be held from 1:00 – 5:00 p.m. *Registration deadline: May 18, 2010.*

Upcoming VGFOA Classes

Online registration is available for the following courses by [clicking here](#).

Date	Event	Locations
Apr 8-9	Virginia Government and Law	Charlottesville
April 29-30	Issuing Debt and Debt Management	Fairfax
May 6-7	How to Prepare a CAFR	Newport News
May 24-25	Advanced Governmental Accounting	Henrico
June 14-15	Internal Controls, Auditing and Fraud	Chesapeake
June 29-30	Issuing Debt and Debt Management	Roanoke
August 9-10	Internal Controls, Auditing and Fraud	Charlottesville

The Virginia Government Finance Officers' Association shall be the premier organization in developing leaders with financial and management expertise through education, fellowship and professional development to foster excellence in government.