



August 10, 2012

Training

Check calendar and register online.

Employment Opportunities

See openings or add an announcement.

VGFOA Certificate 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 Announcements & News

See the latest updates and news.

President's Message

WOW! 414 attendees at the Spring Conference! This is a record for VGFOA! Thank you to our Conference Committee for an incredible conference.

Renee Hoover, Chair, Albemarle County
Diane Bergeron, City of Manassas,
Nickie Champion, Gloucester County
Janet Romanchyk, Loudoun County

Those at the conference were sure to notice the neon green ribbons worn by our Members who have completed the Phil Grant Challenge - **164** of us as of May. VGFOA is a premier organization because of all of you who volunteer. THANK YOU! The challenge continues through October, so there is still time to complete the **Phil Grant Challenge**.

This year

- ▲ **Ask someone to join VGFOA**
- ▲ **Ask someone who has never taught before to teach a class or suggest they volunteer to teach.**
- ▲ **Volunteer to teach a class**
- ▲ **Ask someone to be on a committee**
- ▲ **Volunteer to be on a committee**
- ▲ **Nominate someone to the Executive Board.**

The Nominating Committee is accepting nominations until August 20. See the VGFOA website for details. This year's committee is
Vivian McGettigan, Chair, Prince William County Schools
Larry Clark, New Kent County
Rebecca Owens, Roanoke County
John Tuohy, Arlington County
Frank Turk, City of Salem

At the GFOA Conference in Chicago, Chris Morrill, City Manager, City of Roanoke, became the President of GFOA. He is the first Virginian to be elected to this prestigious position.

It is going to be a great year!

[National GFOA on the Web](#)

Visit now.

[Communication & Technology Committee](#)
[Greg Akers](#)– Chair
[Nancy Tracy](#)

Pat



Registration now open!

Come join us at the VGFOA 2012 Fall Conference on October 17-19, 2012 at the Omni Charlottesville Hotel! Visit the [Fall Conference website](#) for the latest details including hotel information, conference program, sponsors, exhibitors and registration! Sessions start on Wednesday, October 17th, at 1 o'clock and there are two registration options:

	Member Fee	Non-Member Fee
<i>Full Conference Registration, up to 15 CPE's</i>		
Early / Regular	\$ 195	\$ 245
Late*	\$ 225	\$ 275
<i>Thursday-Only Registration, up to 7 CPE's</i>		
Early / Regular	\$ 95	\$ 145
Late*	\$ 100	\$ 150

*Late registration begins September 18, 2012. [Click here to register now.](#)

The VSCPA Ethics course is offered during the Fall Conference as a separate registration fee (\$60 fee).



**VGFOA
2012 Fall
Conference**

-
**Charlottesville
October 17-19,
2012**

Keynote
Speaker



Brian Kush, CLC,
CPA, President
of Moxie
Partners

Keynote Session: What is Presence?

We all yearn for it. It helps us to be more productive; to communicate better. To delegate more efficiently. To mentor and coach more effectively. To improve ALL of our relationships.

In short, it helps us to obtain better results.

It is our genuine presence.

But what is presence? What is leadership presence? And how does it help us improve every single skill needed to be a more effective, results-based leader?

In this session, you will learn:

- To identify habits you are currently practicing that limit your potential to connect with and influence others.
- To define "presence" in your own terms and uncover how it can help you improve important leadership skills such as delegating, mentoring, communicating and influencing.

Brian Kush is a leadership coach who helps aspiring professionals increase their leadership capacity and get the NEW results they want. They do this by declaring what is important in their life and showing up as the biggest version of who they already are.

Brian specializes in leadership, executive presence and personal brand coaching. He authored Auditing Leadership (Wiley, September 2009), and is a CPA who has over 17 years of accounting, consulting and coaching experience. Brian received

	a Certificate in Leadership Coaching from Georgetown University, is an International Coaching Federation (ICF) credentialed coach, and received a B.S. in Accounting from the University of Virginia.
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Applications Sought for Innovations Award

Have you or someone from your jurisdiction recently implemented a project or program to better the world of government finance? If so, apply for the 2012 VGFOA Innovations Award! The Award recipient will receive one free 2012 Fall Conference registration and one free night's lodging during the conference!

It's easy to apply. Details, along with an application, are available on the VGFOA website under the Member Services link. One award per population group, for a maximum of four, may be presented. Award categories include, but are not limited to:

- Accounting, Auditing, and Financial Reporting
- Budgeting and Financial Planning
- Policies and Procedures
- e-Government and Technology

The application deadline is Friday, August 17, 2012 and winners will be presented with a plaque at the 2012 Fall Conference to be held October 17th through 19th in Charlottesville.

Municipal Issuers May Expect to See New Required

Disclosures from Underwriters and Be Asked to Make Certain Acknowledgments

Article contributed by Mark H. Vacha, who is a Member of Cozen O'Connor's Public and Project Finance Group and is licensed to practice in Pennsylvania, Virginia and New York. Cozen O'Connor has 21 offices, including an office in Washington, D.C.

Effective August 2, 2012, underwriters of municipal securities are required to make certain disclosures to issuers of municipal securities at the onset of an underwriting engagement. These requirements are pursuant to the Municipal Securities Rulemaking Board's Interpretive Notice 2012-25 Concerning the Application of MSRB Rule G-17 (the "Notice"). MSRB Rule G-17 imposes certain fair-dealing obligations on underwriters of municipal securities. This article, in question-and-answer format, is meant to anticipate and address certain concerns which governmental issuers may have about how they may be affected by these new requirements upon underwriters of municipal bonds.

Question #1: Does the manner in which my local government sells its bonds make a difference?

Answer (#1): Yes. For practical purposes, the Notice applies to negotiated underwritings and not to competitive sales.

Question #2: Will my local government be asked to do anything as a consequence of the Notice?

Answer (#2): Yes, most likely. Local governments should expect to be asked to provide written acknowledgements to certain disclosures required from underwriters. The Notice provides that underwriters "must attempt to obtain" these acknowledgments.

Question #3: If my local government is unable or uncomfortable providing a written acknowledgment, does that mean that the bond sale cannot move forward?

Answer (#3): Not necessarily. The Notice provides that if an issuer will not provide a written acknowledgment to required disclosures, the underwriter is to document that fact. The Notice does not prohibit the underwriter from then purchasing and underwriting the bonds.

Question #4: What are these "required disclosures" referenced by the Notice? What is the benefit of receiving them?

Answer (#4): The first part of this question is easier to address and the answers to which may provide some insight or context for thinking

about the second part. In the most general terms, among other things, the Notice requires disclosures about: (i) the underwriter's role (arm's-length) and compensation, (ii) various potential conflicts of interest (e.g., payments to or from third parties, profit sharing arrangements with investors), and (iii) risks related to particular financings which an underwriter may recommend (particularly any "complex municipal securities transaction or product", e.g., variable rate bonds, swaps). Potential benefits of receiving these disclosures may be for local government officials to be better prepared to evaluate the underwriter's recommendations in light of the local government's particular circumstances, advise governing bodies, inform other stakeholders and evaluate whether a municipal advisor should be retained (if one is not already retained). The Notice expressly prohibits an underwriter from recommending that the local government not retain a municipal advisor.

Question #5: If my local government tends to do "plain vanilla" financings (e.g., fixed rate bonds with annual amortization) will the disclosures still be made?

Answer (#5): Yes, however, the extent of the disclosures would be anticipated to be different and most likely not as detailed about the recommended financing structure. The Notice, however, requires that for "routine financing structures" underwriters would be required to make disclosures of the material aspects of the structure if your local government personnel do not otherwise have knowledge or experience with respect to the structure. This provision may be intended, among other circumstances, to be for the benefit of a relatively new finance officer, for example. Although the following examples were not specifically characterized or otherwise mentioned in the Notice, it would not be surprising were some underwriters to conclude in some instances that arguably routine structures involving things such as capital appreciation bonds, premium coupon bonds (priced to call dates rather than to maturity) and refundings for budget or cash flow savings (rather than for present value debt service savings) necessitate disclosure, particularly for issuers who may not issue on a regular basis.

Question #6: Who is supposed to provide an acknowledgement on behalf of my local government? When would they be expected to do so?

Answer (#6): The acknowledgment is supposed to be provided by an official who has the power to bind the local government by contract with the underwriter. The disclosures and related acknowledgments are contemplated to be made early in the transaction (i.e., in advance of signing a bond purchase agreement, and, thus, likely through an

engagement letter).

Question #7: Does the Notice address points beyond these required disclosures?

Answer (#7): Yes, the Notice also addresses certain other duties of underwriters to issuers of municipal securities including with respect to fair pricing and retail order periods. The Notice is posted at <http://www.msrb.org/Rules-and-Interpretations/Regulatory-Notices/2012/2012-25.aspx?n=1>,

Budgeting for Outcomes (BFO) National Forum Baltimore, Maryland – October 3-4, 2012

The GFOA and City of Baltimore are bringing together outcome budgeting practitioners from across the country to take place in a first of its kind forum to discuss the future of Budgeting for Outcomes. You can join them October 3rd-4th working to develop the playbook for the future of Budgeting for Outcomes. To view the agenda and learn more about the event visit www.gfoa.org/bfoforum.

Change in Auditors Report

Article contributed by VGFOA Board Member and Standard Setting Committee Chair Kimberly Williams, Deputy Director of Finance/Controller for the Town of Leesburg, Virginia

Effective for audits of financial statements for periods ending on or after December 15, 2012, the auditor's report, as we know it, will change. This is the first major revision to the standard auditor's report since Statement on Auditing Standard (SAS) No. 58 was issued in 1988.

The revised report is intended to improve user's understanding of the roles of management and of the auditors with regards to the financial reporting process. The new report will expand the description of management's responsibility for designing, implementing and maintaining internal controls and will provide overviews of the audit process and the auditor's use of judgment in assessing risk and designing audit procedures.

Below highlights the changes to the new auditor's report:

1. The report title must contain the word "independent".

2. The auditor's report should be addressed to the primary users of the report.
3. The introductory paragraph must identify the entity whose statements are audited and the title of each financial statement audited and the date or period covered by the financial statements. The new report must specifically mention the financial statement notes are included as part of the audit scope.
4. In a separate paragraph, identified by its own section heading, the new report will explain management's responsibilities:
 - a. in designing, implementing and maintaining a system of internal controls relevant to financial reporting and
 - b. for the preparation and fair presentation of the financial statements in accordance to GAAP.
5. Three paragraphs, identified by its own section heading, are dedicated to describing the auditor's responsibilities. The first paragraph states the auditor's responsibility to express an opinion on the financial statements and includes the forewarning that the audit provides reasonable assurance. The second paragraph explains the exercise of judgment that auditors use to assess risks and choose audit procedures. It also explains that although auditors consider internal controls while assessing risks and gathering evidence, the procedures performed during the financial audit are not enough to permit the auditor to express an opinion on the effectiveness of the entity's internal controls. Finally, a brief paragraph is provided to state the auditor's belief that the evidence obtained during the audit is sufficient and appropriate to provide a basis for the opinion on the financial statements.
6. A section heading titled "opinion" identifies the final paragraph of the unqualified auditor's report. The language is the same as prior audit reports with the exception of using the word "accordance" instead of "conformity" to describe the financial statements' compliance with GAAP.
7. The auditor's signature should be handwritten or a printed signature of the auditor's firm.
8. Within the United States, the auditor's report should identify the city and state of the issuing office. (If outside the United States, the city and country are identified.)
9. The auditor's report should be dated no earlier than the date on which the auditor has obtained sufficient appropriate audit evidence on which to base an opinion on the financial statements.

VGFOA Southwest Regional Training Event Scheduled for September 20, 2012

The VGFOA Southwest Regional Organization is having a training event scheduled for Thursday, September 20, 2012, from 9:00am – 3:30pm at the Roanoke Higher Education Center. Topics include City of Roanoke’s experience with Budgeting for Outcomes, a GASB update, and the New Normal in Governmental Retirement Benefits. The event is \$15 and includes lunch (adjacent parking is an additional \$5). Online registration for this Regional Event and the full 2012 event calendar are available by [clicking here](#). If you have any questions regarding the training please contact Jill Underwood at j.underwood@bcpsa.com.

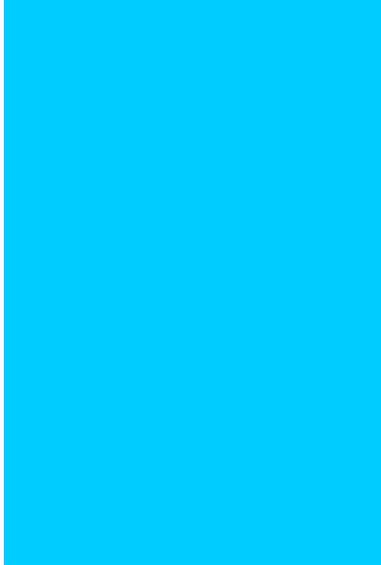
VGFOA Central Regional Training Event Scheduled for September 21, 2012

The VGFOA Central Regional Organization is having a training event scheduled for Friday, September 21, 2012, from 9:00am – 3:00pm at the Henrico County Training Center. Topics include Internet Online Payment Fraud and Cyber Security, an APA Update, a State and Local Government Update, Electronic Payments, an Economic Update and a Debt Update. The Event registration fee is \$35 and includes lunch. Registration will be available through the VGFOA Regional Organization Calendar website by [clicking here](#). If you have any questions regarding the training please contact Clarence Daniel at dan@co.henrico.va.us

Upcoming VGFOA Certificate Courses

Certificate Course fees for VGFOA and Treasurer’s Association of Virginia (TAV) Members 2012 remain at \$225 per participant (\$275 for non-Members). Online course fees will remain at \$125. Online registration and the full 2012 event calendar are available by [clicking here](#).

Date	Event	Location
August 16-17	Grant Reporting & Auditing	Roanoke
October 4-5	Human Resource Management	Charlott
October 17-19	VGFOA Fall Conference	Charlott
August 16-17	Grant Reporting & Auditing	Roanoke
October 4-5	Human Resource Management	Charlott



November 1-2	Intermediate Governmental Accounting	Fairfax
November 28-29	Advanced Governmental Accounting	Charlottesv
December 6-7	Advanced Governmental Accounting	Chesapeake

Online courses are available for:
Introduction to Governmental Accounting
Internal Controls, Auditing, and Fraud
Intermediate Accounting

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.