

Colorado Fiscal Managers' Association

CFMA 2007-2008 Officers

Tom Kingsolver - President

Lynn Gabenski - Vice
President

Kelli Cheshire - Secretary

Susan Meade - Treasurer

E-MAIL ADDRESS FOR THE
OFFICERS AND COMMITTEE
CHAIRS CAN BE FOUND ON THE
CFMA WEBSITE:

[HTTP://WWW.STATE.CO.US/CFMA/HOME
.HTM](http://www.state.co.us/cfma/home.htm)

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President's Corner *Tom Kingsolver*

Having been the President of CFMA for a little over two months I'm beginning to see why no one wanted the job.....it's a LOT of work. The FAST Team is busy planning the Fall Seminar and work has already begun on the Spring Conference in conjunction with the Colorado State Managers Association and the Colorado Information Managers Association. The Fall Seminar will be held October 30th at Stonebrook Manor so mark your calendar.

We are also working on speakers for the monthly

luncheons. One of the topics this year will be on succession planning. I feel this is important due to the increased demand for accountants and the decrease in the number of accounting graduates.

A recent newspaper article talked about what CPA firms are doing to attract college graduates. They are doing some things that you would expect such as raising salaries and bonuses (bonuses???) but some firms are getting really creative. One firm offers a concierge service to take care of daily errands for

their employees such as taking their car to a mechanic or getting event tickets. Another firm offers up to five years off for travel or to raise children. One firm even renamed their human resources department to Priority One.

This points out that as state fiscal employees we are going to have a very hard time filling the accounting and finance vacancies that will occur over the next few years as we baby boomers continue to retire. This is one of the reasons

...Continued on Page Two

Top Ten

Bill Schlaufman

I would like to use this article to introduce a long time friend and colleague of mine, the new CFMA President, Tom Kingsolver. I have known Tom for over seventeen years, from when he was an auditor at Terry & Stephenson to working with him at the student loan program for over ten years. So now I present to you,

The top ten reasons Tom Kingsolver will make an excellent CFMA president:

10. "Kingsolver" easier to spell than "Willinhganz".
9. Believes senior staff at Department of

Administration deserve golden parachute clauses in contracts given to them in Owens administration.

8. First act as CFMA President will be to fire guitar playing comedian at CFMA conference for making fun of people's names and hometowns.
7. Used all his powers as CFMA President Elect to obtain early release of Paris Hilton from jail sentence.

6. Has correctly determined that embezzlement of \$10 million from the Department of Revenue was a non-exchange transaction.
5. Thinks "Roger A.

Cusworth" is evil twin of "Roger Cusworth"

4. Will publicly ask CFMA members not to address him as "Mr. President."

3. Did not accept free pen at CFMA conference vendor night due to Amendment 41 concerns.

2. Will not use embarrassing photos of CFMA members from his stint as photographer of CFMA to blackmail membership.

1. Will nominate himself as CFMA Fiscal Manager of the Year to insure there is at least one candidate for award.



"The world is full of willing people, some willing to work, the rest willing to let them"

~ Robert Frost

President's Corner *Continued*

that the Board decided to recruit college students to become CFMA members. Accounting jobs have grown by 24 percent since 2001 and the Department of Labor and Employment expects the demand to grow 18 to 26 percent over the next six to seven years. Ronald Kucic, an accounting professor at the University of Denver was quoted in the paper on the demand for accountants "I tell my students they don't even have to fog a mirror to get a job these days. If someone puts them in a suit and props them up, they are probably going to get an offer."

Jennifer Spillane, our fund raising committee Chair is busy trying to come up with creative ideas, in addition to the bowl-a thon to raise funds for scholarships and educational assistance. If you have any great ideas to raise money I'm sure Jennifer would be happy to hear from you, especially if you are willing to help. Also, if you wish to make a restricted donation for either program we would be glad to take your money.

I want to remind you to send in your annual dues if you haven't done so already. Please don't forget to include a completed application form when you send in your payment to Clare Jozwiak at Treasury. Also, please mention CFMA membership to your staff and/or coworkers. George Sigala has been busy recruiting new members but we can always use more help.

You will notice a new item in the Fiscal Flyer this month. It's a top ten list

written by Bill Schlaufman who is the Controller for Adams State College and my former boss at Student Loan. As you can see Bill has a great sense of humor and nothing is safe from his wit, including me (or Paris Hilton). We are planning on having Bill do a top ten list each month. I hope you enjoy his sense of humor as much as we did for years at Student Loan.

I would also like to welcome back Alan Boisvert and his Bean Counters Underground Press articles for another year. Alan has graciously agreed to do his articles for this fiscal year even though he has retired to a cushy county job.

The Board would like to solicit articles for the Fiscal Flyer from any member on any subject that you believe would be of interest to the membership. Send your articles to Deb Allen at least two weeks before the monthly luncheon date. This is your newsletter and the more you contribute the better the newsletter will be. Articles can be about the profession, articles about your Department or Agency or just information about recognition you or your family members have received.

If you haven't checked the web site lately we will be holding our luncheons at the Beef Palace again this year. The price will be \$9 for members and \$12 for non-members. The vote was extremely close and I want to thank all of you who took the time to let me know your preference (and to those of you who understood this was a no win situation). The luncheon

dates for September and October have been confirmed. They will be September 19th (Wednesday) and October 17th (Wednesday). We are still working on confirming dates for the remainder of the year. The web site will be updated as we get more information on dates and speakers, so keep checking.

The September luncheon will feature introductions of the CFMA board as well as most, if not all, of the Committee Chairs for this fiscal year. Please get your lunch reservations in early. The Committee Chairs and the other Board members deserve a big thanks for all of the hard work and dedication they put into volunteering. If you would like to volunteer, contact any Board member or the specific Committee Chair.

Controller's Corner



What's Happening?

New Staff at the SCO

The Office of the State Controller (OSC) welcomes Kevin Edwards as the OSC's Contracts Manager. Kevin previously worked at the Division of Wildlife at Department of Natural Resources, and he has also worked at Labor and Employment.

We also wish to say "Good-bye" to Katrina Baker who left the OSC to take a position at Labor and Employment. Katrina, we all wish you well in your new adventure! As an FYI, in the interim Gigi Johnson and Valerie Smith will be handling Katrina's duties.

Capital Construction Six-Month Rule Reminder

CRS 24-30-1404(7) requires, except for specific exemptions listed, that a professional services contract be executed and encumbered within six months after the appropriation becomes law. If a professional services contract is not needed, the agency must have a contract with the contractor encumbered within six

By the Field Accounting Services Team, State Controller's Office

months of when the funds become available. Most projects are funded in the long bill, but other bills could contain projects and will have a different 6-month date. The six-month deadline for this year's Long Bill projects is November 2, 2007. If your agency had capital construction appropriation(s) you will need to send in a certification for each project. Please contact your FAST Specialist with any questions.

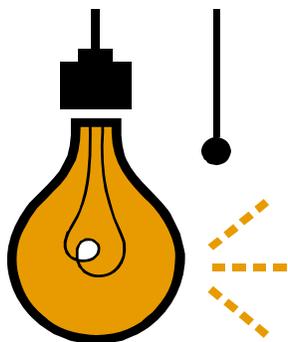
Fall Conference

The Fall Conference will be October 30, 2007, so if you have particular topics that you think would be of interest, please email these to your FAST Specialist.

Housekeeping Calendar Items

- Special Bills should be booked by Period 2 close (September 14, 2007).
- Exhibits K are due September 17, 2007.
- The MD&A for Stand-alone Financial Statement entities are due September 21, 2007.
- Accounts Payable relating to FY06/07 need to be cleared by the end of September 2007.

From the "Thought You Should Know" Category



NASACT Annual Conference Recap

The NASACT's 92nd annual conference was held August 11-15, 2007, in Nashville, Tennessee. U.S. Comptroller General David Walker addressed the group, speaking on the topic of "Keeping America Great: The Role of the Accountability Profession." In keeping with the focus of his fiscal wake-up tour, Mr. Walker expanded upon his message about the unsustainability of the current fiscal path of the federal government. He said that projected structural deficits are due largely to known demographic trends and the rising costs of health care. Current GAO projections show that by the year 2040, balancing the budget could require actions as drastic as cutting total federal spending by 60 percent or raising federal taxes to levels doubling

today's tax levels. With this grim message Mr. Walker did offer some suggestions for the future—a three pronged approach that would require active involvement from both the executive and legislative branches of the federal government. First, he suggested improvements in financial reporting, public education and performance metrics. Second, he said that budget and legislative processes and controls should be strengthened. And finally, he suggested a fundamental reexamination and transformation of our entitlement programs, tax policy and "other" spending.

Mr. Walker ended his talk by challenging NASACT conference attendees to face head-on the four major national deficits he sees: deficits in budget, balance of payments, savings and leadership. His message concluded on a hopeful note as he acknowledged the presence among the group of the key leadership attributes that will be needed to face these future challenges: courage, integrity, creativity,

partnership and stewardship.

On the second day, the conference re-opened with a talk from *New York Times Magazine* writer Randy Cohen, who also comments frequently on NPR Radio's "Weekend All Things Considered" on the topic of ethics. Mr. Cohen's message was simple: people are essentially good. There is a general consensus on the definitions of "good" versus "bad." Behavior, then, becomes a function of circumstance. He used historical and philosophical examples to examine how context does make a difference in behavior and how leaders today can create environments that foster so-called good behavior.

The above was taken from the NASACT's monthly newsletter, where you can find a complete listing of the session offered at the conference and many PowerPoint or PDF versions of the presenter's presentations at http://www.nasact.org/online_resources/downloads/2007_NASACT/2007_annualcon.html

Bean Counter's Underground Press

Alan Boisvert

I see that over the summer the State pulled the plug on another computer system, I believe it was CSTARS, as it was providing bad information. This would be on top of Genesis, CBMS, the CDOT payroll system, some tax systems, and who knows what else had the plug pulled on it because it wasn't exactly shipshape when it left the dock. Whoever decided to do these systems just doesn't get it and needs to go to the movies. I saw Die Hard with a Vengeance, and the Bourne Ultimatum this summer. What an incredible difference between the computer geeks in these movies and the State's computer geeks?

In Die Hard, the master criminal geek was able to get control of the FBI's anti-computer hacker network, the electrical grid, the transportation system, and an incoming armed F-15 jet. In Bourne the CIA geeks could get control of every surveillance camera anywhere in the world to keep an eye on what Jason Bourne was up to, then send an assassin in to execute him or anyone else

that got in the way.

Which am I to believe? Is the State run by computer goofballs, and the rest of the world, as portrayed by Hollywood, can do astounding things with computers? Or is it something in between? Are there computers that can do what we see in movies, and the State has just had a string of bad luck? Or have Hollywood, and our fifteen year-olds convinced us, that computers could do these things? Does watching movies and listening to children make us (managers, elected officials) gullible to the private sector software salesmen selling vaporware?

Vaporware is a term that means the software doesn't really exist, even though they will tell you it does, and what they really want is for you to pay them to write the code. Anyone who has been around the block a time or two, or remembers the DIA automated baggage system, knows never to buy vaporware, subprime mortgages, or dolls from

China. All three of them can make you sick. These have been the lessons of the summer of 2007, that and wear lots of SPF 30 whenever you are hiking in Rocky Mountain National Park.

What amazes me is that GASB saw this entire mess coming. They recently issued GASB 51 which elevated AICPA SOP 98-1 on capitalizing software to the top tier of the GAAP hierarchy, while then allowing us to follow GASB 42 and write-off the impaired asset after we realize the junk doesn't really work. This actually makes me sorry I left the State Controller's Office. Wouldn't it be so much fun to call up some agency controller and discuss his/her impairments after reading about it in the paper? Which is worse, an impaired software system or losing \$10 million in tax refunds? It is really hard to say, but if either one happened to me, I'd be hiring Jason Bourne as my internal auditor.

CFMA 2007 FALL CONFERENCE

STONEBROOK MANOR

650 EAST 124TH AVE.
THORNTON, CO.
(Located just east of
120th Ave. and I-25)

OCTOBER 30, 2007

Further details will be provided as they come available so mark your calendars today!



"The opinions expressed here in are those of the author and do not necessarily represent the opinion of the Colorado Fiscal Manager's Association, its board, or its members."

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View demo at
www.securevaultpayments.org

NACHA PRESS RELEASE

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NACHA to Test Bank-Provided Online Authentication and Private Payments

Herndon, Virginia, March 15, 2006 - NACHA - The Electronic Payments Association will organize a pilot to test online transactions in which consumers would be authenticated by their own financial institutions, and initiate private, secure electronic payments via their financial institutions' online banking web sites. NACHA's Board of Directors recently approved the test for consumers' online funds transfers, bill payments, and purchases.

"Research continues to show that privacy and security are the primary concerns of consumers that do not conduct transactions on the Internet," said Elliott C. McEntee, President and Chief Executive Officer of NACHA. "By enabling financial information to remain private between these consumers and their financial institutions, whole new markets of consumer transactions could be conducted online."

"As a result of the recent FFIEC guidance on authentication, financial institutions will be making their ability to authenticate their customers online more robust," said Rick Burke, Vice Chairman of NACHA's Board of Directors, and Senior Vice President of Commerce Bank in Cherry Hill, New Jersey. "The NACHA Board decided that the time is right to look at this capability as a business opportunity instead of just as an additional expense."

In the pilot, a consumer would choose to complete an online transaction at a web site using this authentication and payment method. The consumer would then be re-directed via a secure network to her financial institution's online banking web site, where she would log in using existing log-in procedures. Once securely within the financial institution's web site, the consumer would confirm the details of the transaction and authorize payment.

Because the consumer would authorize payment via her own financial institution, she does not provide her financial account information to the business or a third-party; it remains private between her and her financial institution. Because the business does not receive and store her financial account information, it does not have the responsibility of securing the information from mishandling, misuse or theft.

"Financial institutions have already invested heavily in secure online banking systems," said Charles Bretz, a Director on NACHA's Board, and Senior Vice President of Compass Bank. "NACHA's pilot constitutes a modest investment in networking these systems, so that financial institutions can leverage their investments into new products and services."

NACHA's objectives in organizing the pilot are to: 1) evaluate the potential markets of new online transactions enabled by the privacy and other features; 2) evaluate the structure and level of fees that would best result in adoption by all participant categories; and, 3) determine the costs, benefits and net economic impact to participants.

The pilot comes on the heels of a successful proof-of-concept phase, which demonstrated that the process for a round-trip transaction works well and quickly, and that users found it easy to use. The network provider for the proof-of-concept, eWise Systems, will also serve as the network provider for the pilot test.

"The proof-of-concept phase showed us that financial institutions can play the central role in new online authentication and payment solutions," said Arthur Markos, a NACHA Director and President of Gardiner Savings Institution, which was part of proof-of-concept team. "Gardiner's customers already trust us. We want to explore how that existing trust can enable our customers to conduct more of their business online."

In addition to organizing the pilot, NACHA will also be developing business cases for bank-provided online authentication and payments in the business-to-business market, and for bank-provided online authentication as a stand-alone service.

CFMA LUNCHEON DATES/LOCAL

The September lunch will be at the Beef Palace on September 19th (Wednesday) instead of September 20th as was originally scheduled. The October lunch will also be at the Beef Palace and will be held on October 17th (Wednesday) instead of October 18th. The cost for September and October is \$9 for members and \$12 for non-members.

We are still confirming dates for the remainder of the year. See the web site for more info.

Here is a list of the luncheon dates; speakers will be added as they are confirmed. Most luncheons are on Thursdays except for Nov. 28 and Feb. 20, which are Wednesdays. The location has not been determined yet.

- Sept. 19, 2007 Introduction of Board & Committee Chairs
- Oct. 17, 2007 Cherry Mallard
- Nov. 28, 2007 Dylan Ikenouye
- Jan. 17, 2008 TBA
- Feb. 20, 2008 TBA
- Mar. 20, 2008 TBA
- Apr. 17, 2008 TBA
- May 22, 2008 TBA
- Jun. 19, 2008 TBA

Your lunch reservations should still be made using the Internet. Visit the CFMA luncheons web page (see link below) and click on the "Place Setting." You can register each month or sign up for all the lunches in one visit.

Please register by 12 PM on the Wednesday before the lunch. If you need to cancel after you register, please email Dottie Relaford before noon on the Wednesday before the lunch

dottie.relaford@state.co.us
<http://www.state.co.us/cfma/Luncheons/lunch.htm>

September Luncheon

Place: Beef Palace – Serving Flank Steak and Chicken Marsala



Time: September 19, 2007 11:45am -1:30pm

Speaker: Committee Chair Introductions

About Our Organization

CFMA is run by state employees elected by the membership. The Executive Board consists of the following four elected executive officers: President, Vice-President, Secretary, and Treasurer. Per CFMA's by-laws, all the officers are

elected for a one year term. The President and Vice-President can not succeed themselves in the same office. The Secretary and Treasurer can succeed themselves in office, but can serve no more than two consecutive terms.

At the discretion of the Executive Board, committees can be formed to assist in carrying out CFMA's goals and objectives. Participation on these committees comes from active CFMA members.

"Attend three CFMA luncheons this year and get the 4th lunch free!" – CFMA Board

CFMA's very popular buy three get one free lunch program is in place for the upcoming year. If you attend all eight lunches this year, CFMA will pay for two of them. To assist in the record keeping process, please register each month using the Web site registration and be sure to use the same name. For example, Roger Cusworth and Roger A Cusworth are treated as two people in the database used to track free lunches. You also need to be sure you check in each time you attend a luncheon.

In case you are wondering, your attendance from last year does not carry over to this year.



We're on the Web!

See us at:
<http://www.state.co.us/cfma/home.htm>