



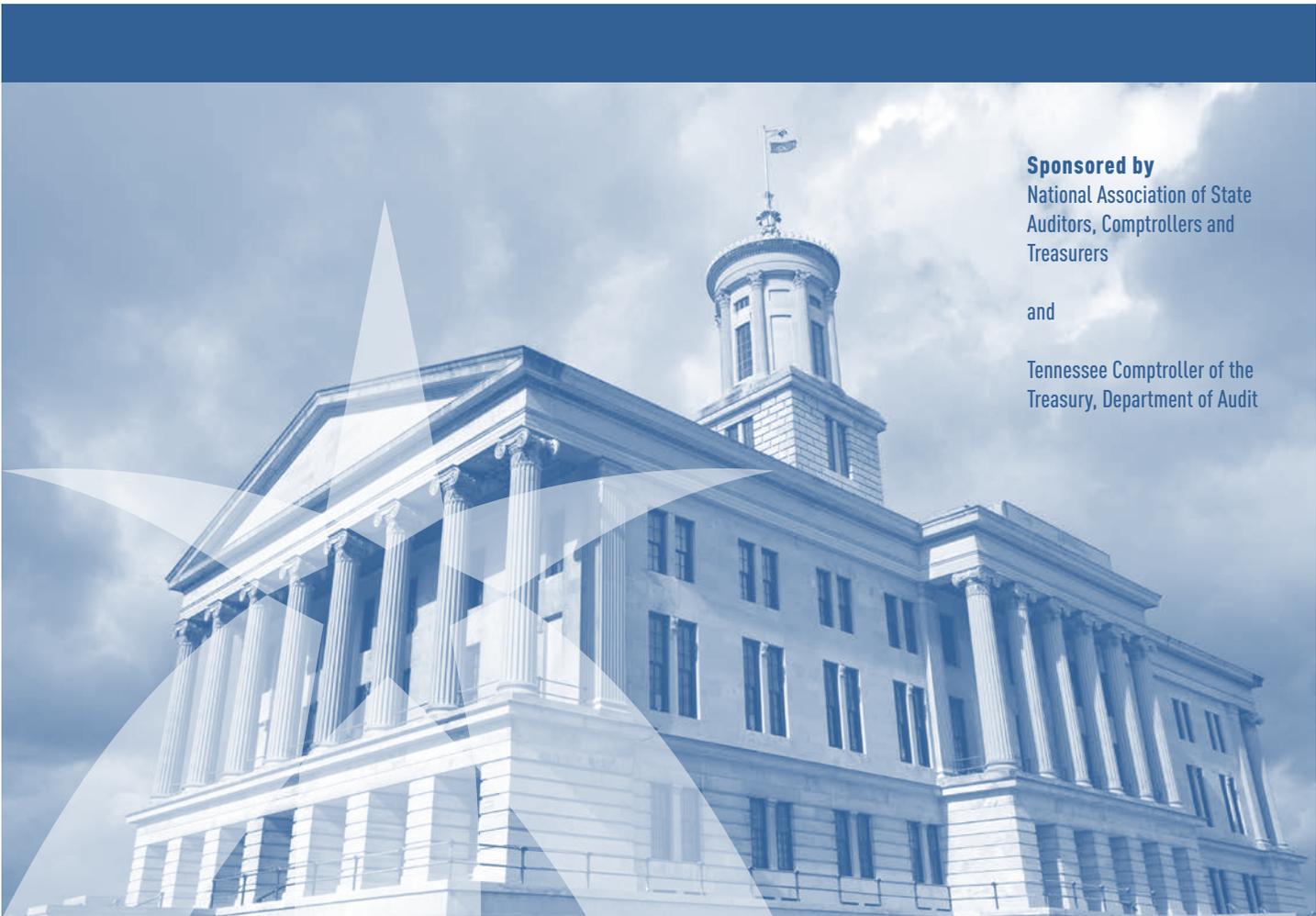
**NASACT**

National Association of State  
**Auditors, Comptrollers  
and Treasurers**

**40th Annual Government  
Auditing Training Seminars**

**2021 Tennessee Training**

MAY 10-11, 2021 — NASHVILLE & VIRTUAL TRAINING



**Sponsored by**  
National Association of State  
Auditors, Comptrollers and  
Treasurers

and

Tennessee Comptroller of the  
Treasury, Department of Audit



STATE OF TENNESSEE  
**COMPTROLLER OF THE TREASURY**  
DEPARTMENT OF AUDIT  
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PHONE (615) 401-7841

February 2021

Fellow CPAs and Colleagues:

Each year brings unique challenges and opportunities for the auditing and accounting profession—2021 will be no exception. While we are hopeful that COVID-19 vaccination roll-outs will help return us closer to a normal working environment this year, we have still had to plan this year's training with COVID-19 restrictions in mind.

The training this year is planned to be held in-person in Nashville at Lipscomb University on May 10-11, with a virtual option for anyone who is not able to attend in person.

This year's training agenda will include a variety of topics of relevance to your professional endeavors:

- A review of emerging issues in governmental accounting and auditing, including developments from Congress, the U.S. Government Accountability Office and the U.S. Office of Management and Budget.
- An update on what's new in Tennessee, including a look at select issues that relate specifically to the operations of Tennessee local governments and their auditors.
- Fraud case studies.
- New GASB standards, including GASB's "Big 3," the new reporting model, revenue and expense recognition, note disclosures, and Statements 84 and 87.
- An update on activities of the American Institute of Certified Public Accountants, including SASs 134-145 and the new audit reporting standard.
- A look at the Single Audit process and changes in the Compliance Supplement and other authoritative and non-authoritative guidance.

Frank Crawford, president of Crawford & Associates, will be this year's primary speaker. Frank brings a wealth of practical experience to his training sessions, and we are very pleased to have him back this year. Joining him will be Chris Pembroke, partner at Crawford & Associates. The two-day training will also feature speakers from the Tennessee Department of Audit, including Jerry Durham and Daniel Porter. Also included on the program is Kinney Poynter, executive director of the National Association of State Auditors, Comptrollers and Treasurers.

Preparing you to efficiently and effectively perform audits of governmental entities is our goal, and even the recent global pandemic doesn't change that goal. We hope you will join us for the 2021 Government Auditing Training.

Sincerely,

Kathy Stickel  
Director, Division of State Audit

Jim Arnette  
Director, Division of Local Government Audit

# GENERAL INFO & REGISTRATION

**MAY 10 & 11**  
**Live Training in Nashville**

The live training will be held at:

**Lipscomb University, George Shinn Center**  
3906 Belmont Blvd.  
Nashville, TN 37204

The number of live participants is capped, so spots will be offered on a **first-registered, first-reserved basis**. Includes breakfast and lunch each day.

**\$345**

## HOW TO REGISTER

Register today at [www.nasact.org/calendar\\_list.asp](http://www.nasact.org/calendar_list.asp).

- **If you attended last year, you already have a profile in our system.** If you have forgotten your password, click the "forgot password" button at [www.nasact.org](http://www.nasact.org).
- **Each attendee will be required to register separately.**

**MAY 10 & 11**  
**Virtual Training**

Virtual attendees will receive the same great training as those participating in the live event, but via internet live-broadcast.

Use this **promo code** at checkout to receive the **discounted rate for the virtual option:**

**TNVirtual-21**

**\$295**

## CANCELLATIONS, REFUNDS & QUESTIONS

Refunds will be given for cancellations, minus a \$25 cancellation fee. Substitutions are allowed.

Do you have questions? Call our office at (859) 276-1147 and reference the Tennessee Training Seminars.

## CONTINUING PROFESSIONAL EDUCATION

### Learning Objectives:

At the conclusion of this training, participants will:

- Be aware of recent developments from the OMB, GAO and Congress.
- Know how to determine, detect and defend against fraud.
- Understand changes to audit standards issued by the GAO and the ASB.
- Be aware of recently implemented standards from the GASB and understand common implementation issues.

**Level of Knowledge:** Overview

**Education or Experience Prerequisite:** General understanding of governmental accounting and auditing standards.

**Advance Preparation and Prerequisites:** No advance preparation required.

**CPE:** 16 credits have been recommended.

**Attendance Requirements:** To obtain full credit for this event, attendees must submit attendance verification codes as provided during the sessions.

**Delivery Method:** Live and Group Internet-Based.  
All sessions include Q&A.



The National Association of State Auditors, Comptrollers and Treasurers is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit.

Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: <https://www.nasbregistry.org/>.

# TRAINING SCHEDULE

## DAY ONE

8:00 – 8:30 A.M. *Central Time*

### CONTINENTAL BREAKFAST

8:30 – 8:35 A.M. *Central Time*

### WELCOMING REMARKS

Jason E. Mumpower, Tennessee Comptroller of the Treasury

R. Kinney Poynter, CPA, Executive Director, NASACT

8:35 – 9:50 A.M. *Central Time*

### EMERGING ISSUES IN GOVERNMENT ACCOUNTING AND AUDITING

Field of Study: Auditing (Governmental)

Like many in the past, this year is shaping up to be another year of change. This session will provide an overview of recent economic, industry, regulatory, and professional developments that impact auditors of state and local governments. Included in this session will be developments from Congress, the U.S. Office of Management and Budget, the Government Accountability Office, and other regulatory bodies.

R. Kinney Poynter, CPA, Executive Director, NASACT

9:50 – 10:05 A.M. *Central Time*

### BREAK

10:05 – 11:45 A.M. *Central Time*

### TENNESSEE SPECIFIC ACCOUNTING AND AUDITING ISSUES

Field of Study: Auditing (Governmental)

GASB says the Covid-19 situation is not an extraordinary event for governments, but it certainly has been for auditors. The good news is, we have learned a lot about how to deal with this strange situation. The bad news is, we are not done yet.

For example, we need to discuss GASB 84 because the implementation date was pushed back to June 30, 2021. We will continue to deal with COVID-19 issues including cafeteria fund audits. Charter Schools still provide challenges in the presentation of Financial Statements and audits of Internal School Funds. Gas utilities have a new report to complete. In addition, we have received several questions about schools utilizing electronic collection applications. In all these matters, there are increased audit risks and opportunities for fraud.

Jerry E. Durham, CPA, CGFM, CFE, Assistant Director, Division of Local Government Audit, Tennessee Department of Audit

11:45 A.M. – 12:30 P.M. *Central Time*

### LUNCH BREAK

12:30 – 1:20 P.M. *Central Time*

### A FOX IN THE HENHOUSE COURTHOUSE

Field of Study: Auditing (Governmental)

The ancient Romans had a saying about using caution when appointing someone to a position of trust: "don't set a wolf to watch the sheep." That

saying is in use today and has changed to include "don't put a fox to guard the henhouse." The thought is similar, but the wolf and fox are vastly different animals. Wolves rely upon their strength to survive while foxes rely on their cunning. Like foxes, fraudsters rely upon their cunning to defeat or circumvent internal controls. This session reviews the investigation of a deputy court clerk who exploited a weakness in internal controls and committed fraud in the courthouse.

Daniel Porter, CFE, Senior Investigator, Division of Investigations, Tennessee Comptroller of the Treasury

1:25 – 2:40 P.M. *Central Time*

### GASB UPDATE: SO MUCH FOR 2020 VISION, HUH?

Field of Study: Accounting (Governmental)

Wow, what a year. Even before COVID-19, GASB's standard-setting activity had actually slowed to a more manageable level in 2020 after several very busy years. However, that slower pace is set to pick up again with the implementation of many of the standards whose effective dates were initially postponed by GASB 95. In addition, several newer projects are closer to completion, with newer standards immanent. We will address GASB 84, 87, and the "Big 3" projects in separate sessions, but everything else will be here.

Frank Crawford, CPA, President, Crawford & Associates

Chris Pembroke, CPA, Partner, Crawford & Associates

2:40 – 2:55 P.M. *Central Time*

### BREAK

2:55 – 3:45 P.M. *Central Time*

### GASB 84 FIDUCIARY ACTIVITIES: FINALLY, IMPLEMENTATION IS HERE

Field of Study: Accounting (Governmental)

After the GASB 95 delay, implementation time is here. This standard delineates specific criteria for identifying activities that state and local governments, including those only engaged in business-type activities, should report as fiduciary activities and how governments should report fiduciary activities in general purpose external financial reports. We will do a short refresher here, hitting the major points once more before implementation.

Frank Crawford, CPA, President, Crawford & Associates

Chris Pembroke, CPA, Partner, Crawford & Associates

3:45 – 4:35 P.M. *Central Time*

### THE BIG 3 UPDATE, OR AM I PLANNING ON RETIRING IN THE NEXT 5 YEARS?

Field of Study: Accounting (Governmental)

If you were thinking of retiring in the next 5 years, the ultimate completion and future proposed effective dates of these 3 projects may be enough to send you over the retirement cliff. This session will update everyone on the latest in the new financial reporting model project, the revenue and expense recognition project and the note disclosures project. Retirement is looking better and better!

Frank Crawford, CPA, President, Crawford & Associates

Chris Pembroke, CPA, Partner, Crawford & Associates

## DAY TWO

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8:00 – 8:30 A.M. *Central Time*

### CONTINENTAL BREAKFAST

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8:30 – 9:45 A.M. *Central Time*

**GASB 87: LEASES, LEASES AND MORE LEASES** Field of Study: Accounting (Governmental)

Major changes are underway for lease accounting. All lease changes in the new standard will be comparable to the current guidance for capital leases, but with some significant differences. From our work with early adopters, the one constant that we have seen is that everyone has more leases than they think they do, which multiplies the amount of work needed for implementation. This session will provide a quick overview of some early lessons learned.

Frank Crawford, CPA, President, Crawford & Associates

Chris Pembrook, CPA, Partner, Crawford & Associates

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9:45 – 10:00 A.M. *Central Time*

### BREAK

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10:00 – 11:15 A.M. *Central Time*

**AICPA/SAS/SSARS UPDATES** Field of Study: Auditing (Governmental)

It has been a while since we have had to do an update to AICPA activities, so this would be a prime year to catch up on some new things that are going on at the AICPA. We will take a quick look at SASs 134-143, including the new auditor reporting standard. In addition, we will look at SSARS 25 and the impact it may have on review engagements.

Frank Crawford, CPA, President, Crawford & Associates

Chris Pembrook, CPA, Partner, Crawford & Associates

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11:15 A.M. – 12:05 P.M. *Central Time*

**AICPA AUDIT GUIDE: DATA ANALYTICS** Field of Study: Auditing (Governmental)

As new and emerging technologies continue to flood the marketplace, auditors face a variety of techniques that could potentially transform the traditional financial statement audit, making it more efficient and adding more value. Understanding how these new techniques can be used throughout the audit, under the current auditing standards, is important for firms of all sizes. This session will take a quick look at the Guide's objectives and methodologies and introduce the participants to what will most likely be the future of auditing.

Frank Crawford, CPA, President, Crawford & Associates

Chris Pembrook, CPA, Partner, Crawford & Associates

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12:05 – 12:50 P.M. *Central Time*

### LUNCH BREAK

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12:50 – 1:40 P.M. *Central Time*

**UNDERSTANDING THE ENTITY AND ITS ENVIRONMENT AND ASSESSING THE RISKS OF MATERIAL MISSTATEMENT**

Field of Study: Auditing (Governmental)

A 204-page masterpiece, this document reminds us of an old phone book (do you remember phone books?). All kidding aside, this proposal amends several previous SASs and dozens of sections within several SASs, all dealing with the manner in which auditors assess the risks of material misstatements in each of their audit entities, especially in the area of IT risks and the concept of significant risks.

Frank Crawford, CPA, President, Crawford & Associates

Chris Pembrook, CPA, Partner, Crawford & Associates

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1:40 – 2:30 P.M. *Central Time*

**UNIFORM GUIDANCE UPDATE** Field of Study: Auditing (Governmental)

As the Single Audit process continues to evolve, it appears that an annual update will continue to be necessary. This session will take a look at some of the more recent changes to the Single Audit process, including a look at changes in the Compliance Supplement and other authoritative and non-authoritative guidance.

Frank Crawford, CPA, President, Crawford & Associates

Chris Pembrook, CPA, Partner, Crawford & Associates

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2:30 – 2:45 P.M. *Central Time*

### BREAK

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2:45 – 3:35 P.M. *Central Time*

**PANEL Q&A** Field of Study: Auditing (Governmental)

This session, also known as Stump the Chumps (no offense taken), will provide a forum to ask any question of the speakers' panel. The panel will be ready to answer most questions or at least provide some guidance as to where the answer can be found, unless of course, you actually stump the chumps.

Frank Crawford, CPA, President, Crawford & Associates

Jerry E. Durham, CPA, CGFM, CFE, Assistant Director, Division of Local Government Audit, Tennessee Comptroller of the Treasury

Chris Pembrook, CPA, Partner, Crawford & Associates

R. Kinney Poynter, CPA, Executive Director, NASACT

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3:35 – 4:25 P.M. *Central Time*

**FRAUD – COVID CASE STUDY** Field of Study: Auditing (Governmental)

Although it has only been around for a little more than a year, COVID-19 has produced a series of fraud schemes that are being perpetrated on government organizations, including a few with the government as the perpetrator. This session will look at some of the more common schemes to be on the lookout for, and a review of some of the more interesting(?) fraud schemes that have been occurring.

Frank Crawford, CPA, President, Crawford & Associates

Chris Pembrook, CPA, Partner, Crawford & Associates

The National Association of State Auditors, Comptrollers and Treasurers is an organization for state officials responsible for the financial management of state government.



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