NASACT Convenes in August for 98th Annual Conference

By Glenda Johnson, Communications Manager

NASACT President Martin J. Benison, comptroller of Massachusetts, recently welcomed members, corporate partners and guests to Boston for NASACT’s ninety-eighth annual conference. The conference, which boasted the largest attendance in years (with over 460 registered attendees and guests), was held August 10-14 at the Seaport Hotel and World Trade Center. Attendees were also welcomed during opening ceremonies by Massachusetts co-hosts Suzanne Bump, auditor of the commonwealth; Steven Grossman, state treasurer; Massachusetts Governor Patrick Deval; and Boston Mayor Michael Menino (the latter two through video messages).

The conference began with a number of meetings and networking opportunities. On Saturday, August 10, some attendees participated in the annual golf scramble, which was held at the Red Tail Golf Club. On Saturday evening, attendees were treated to refreshments at the welcoming hospitality reception after a day of golf or travel. The annual 5K fun run/walk was held Sunday, August 11, where over 90 participants enjoyed a beautiful morning on the waterfront at Fort Independence at Castle Island. Also on Sunday, NASACT’s Executive Committee met from 1:00 to 4:00 p.m. and the Committee on Accounting, Reporting and Auditing held its annual in-person meeting. Sunday night, all attendees were invited to the President’s Reception at the John F. Kennedy Presidential Library and Museum.

The conference featured five general sessions, an emerging issues roundtable and 19 concurrent sessions covering a wide range of topics. PowerPoint presentations from the sessions can be downloaded from NASACT’s website at www.nasact.org/conferences_training/nasact/conferences/AnnualConferences/2013AnnualConference/materials.cfm. A complete list of the sessions and speakers can be found on page 3.

At lunch on Monday, President Benison announced the 2013 Presidents Awards, which are given each year at the discretion of the president to recognize service to the association and the overall financial management and accountability community. This year’s recipients were:

- **Elaine M. Howle**, state auditor of California, who was recognized for her leadership as president of the National State Auditors Association in 2012-13 and also her efforts to revise NSAA’s Peer Review Manual, the policies and procedures governing NSAA’s Peer Review Program through which state audit organizations can receive an external peer review to ensure the adequacy of and compliance with internal quality systems. The manual underwent extensive revisions in 2012-13 as a result of changes to Government Auditing Standards and the Auditing Standards Board’s Clarity Standards.

- **Kim R. Wallin**, controller of Nevada, who was recognized for her leadership as co-chair of the Continuing Disclosures Task Force, her active participation in NASACT’s Mexico Exchange Program, and her active and enthusiastic participation on a number of NASACT initiatives.

- **Manju Ganeriwala**, state treasurer of Virginia, who was recognized for her leadership in national efforts to preserve the tax-exempt status of municipal bonds.

(article continued, next page)
President Benison also presented several Special Recognition Awards and a Distinguished Service Award.

- **Robert H. Attmore**, former chairman of the Governmental Accounting Standards Board and a lifetime member of NASACT, was recognized with a Distinguished Service Award for his work at the GASB and his long and noteworthy career prior to that as deputy comptroller of the state of New York.

- **Jenny Hedderman**, general counsel in the Massachusetts Office of the Comptroller, was recognized with a Special Recognition Award for her time, efforts and expertise shared for the benefit of NASACT’s Benchmarking Program.

- **Colin MacNaught**, deputy treasurer for debt management in Massachusetts, was recognized with a Special Recognition Award for his leadership as co-chair of NASACT’s Continuing Disclosures Task Force.

Also on Monday, breakout meetings were held to allow the National Association of State Comptrollers and the National State Auditors Association to conduct brief business meetings. NASACT’s treasurer members also met that afternoon to discuss emerging issues. Recaps from the NSAA and NAC meetings will appear in the September issue of *NASACT News*. Monday ended for conference attendees with a dinner at Fenway Park.

In addition to the general and concurrent sessions held on Tuesday, NASACT held its annual business meeting that day. For a recap from the business meeting, see page 6.

Of note on Tuesday, NASACT’s Continuing Disclosures Work Group released a paper entitled “Voluntary Interim Financial Reporting: Best Practices for State Governments.” The document outlines ten best practices to be implemented by states on a voluntary basis to augment their existing disclosure programs. The best practices were approved by NASACT’s Executive Committee on August 11.

As in past years, Tuesday night at the conference ended with the State Night Dinner, which took shape this year as an informal clambake. Awards were presented at the dinner to winners of the golf tournament and the 5K fun run/walk. The evening also included an invitation from James B. Lewis, NASACT’s new president and state treasurer of New Mexico, to the 2014 NASACT Annual Conference, which will be held in Santa Fe next summer.

NASACT acknowledges with great appreciation the many people who helped make this conference such a success. Very special thanks go to Martin J. Benison, whose office served as the lead host office, and his staff. Special thanks also go to Scott Olsen, who served as the host state coordinator, and to the whole team of host state volunteers; without their hard work and assistance, this conference would not have been possible. Special thanks also go to the other Massachusetts co-hosts, Auditor Bump and Treasurer Grossman.

NASACT acknowledges with appreciation all the speakers and moderators who helped continue the association’s tradition of program excellence. The technical program received very high ratings this year.

Without the knowledge, expertise and financial support of our corporate partners, the conference would be truly lacking—we thank NASACT’s corporate partners for their time and continued support. See page 13 for a complete list of this year’s corporate associates and conference sponsors.

Finally, many thanks go to NASACT’s committee chairs and members. It is their hard work throughout the year that ensures that the organization is addressing member concerns and working to improve state government financial management and accountability.

Incoming NASACT President Lewis, will be working in the coming weeks to make committee assignments for 2013-14. If you are interested in serving on a NASACT committee, email gjohnson@nasact.org.

NASACT member offices may request up to $1,700 in travel assistance for attending the 2013 NASACT Annual Conference.

The reimbursement form can be found at www.nasact.org/conferences_training/nasact/conferences/AnnualConferences/2013AnnualConference/materials.cfm.
NASACT News – August 2013

NASACT Annual Conference Sessions (GS=General Session, CS=Concurrent Session)

GS#1. The Massachusetts Health Care Experience
- Wendy Everett, ScD, President, New England Healthcare Institute
- Dr. Jonathon Gruber, Professor of Economics, Massachusetts Institute of Technology
- David Seltz, Executive Director, Health Policy Commission (MA)
- Discussion Facilitator: Glen Shor, Secretary of the Executive Office for Administration and Finance (MA)

CS#1. Reaching New Heights: Providing Consistent and Sustainable High Performance at the State Level
- Wayne Bobby, Vice President, Public Sector Industry Solutions, Oracle
- Lana Jerome, Director, Massachusetts HR Employee Service Center (MA)
- Alan Skelton, State Accounting Officer, State Accounting Office (GA)

GS#2. West Virginia’s OASIS ERP Project: Strong Collaboration Trumps Challenges
- Glen Gainer, State Auditor (WV)
- Daniel Keene, Sector Vice-President, State and Local Government ERP, COI
- Greg Smith, Vice President, Kronos

CS#3. Using Back Office Power to Energize Front Office Performance in Delivering Public Services for the Future
- Peter C. Hutchinson, Managing Director, Public Services Strategy, Accenture

CS#4. How Payment Card Technologies Have Assisted State Agencies and Benefitted Recipients
- Ethan Carr, Vice President, Public Sector Payment Solutions, MasterCard Worldwide
- Alexander Liu, Director, Senior Product Manager, Bank of America Merrill Lynch
- William J. Seaver, Deputy Director, Department of Revenue (MA)

CS#5. Big Data: A New Frontier for State Governments
- Eileen Smith, Senior Product Marketing Manager, Education and Government, Workday

CS#6. Public Pensions: Current Issues and Developments
- Charlie Chieppo, Research Fellow, Ash Center of the Harvard Kennedy School
- Timothy Blake, Managing Director, U.S. Public Finance, Moody’s Investors Service

CS#7. Shared Services: Approaches That Work!
- Daryl Kirkland, National Business Development Manager and Practice Lead, SAP Public Services
- Milford H. Sprecher, Business Development Manager, IBM Global Services

CS#8. ERP Procurement – The Arizona Model
- Nathan Frey, Partner, ISG
- D. Clark Partridge, State Comptroller (AZ)

CS#9. Current Trends: Increasing P3s and Auditing Nonfinancial Data
- Tom Mulvihill, Infrastructure Advisory Managing Director, KPMG
- Dave Yost, Auditor of State (OH)

CS#10. Transparency Initiatives and Issues
- Steve Brooks, Managing Director, CherryRoad
- Gila Bronner, President and CEO, Bronner

GS#2. Congressional and Legislative Update: Will Anything Get Done?
- David Quam, Director, Federal Relations, National Governors Association

GS#3. CFO Panel: Challenges and Opportunities
- John Chiang, State Controller (CA)
- Susan Combs, Comptroller of Public Accounts (TX)
- Thomas P. DiNapoli, Comptroller (NY)

CS#11. Aging Infrastructure: How Are States Financing?
- Kevin McHugh, Managing Director-Valuation Services, Navigant Consulting

CS#12. Financial Reporting: Perspectives from the GASB and Users
- David Vaught, Chair, Governmental Accounting Standards Board
- David Bean, Director of Research, Governmental Accounting Standards Board
- Mark Stockwell, Senior Analyst, Standish Investment Management

CS#13. Gaining Government Insight from a New Generation of Business Analytics
- Charlie Johnson, Managing Director, State & Local Government ERP, Microsoft Corporation
- Kim Nelson, Executive Director, E-Government, Microsoft Corporation

CS#14. Internal Control: Revised Standards and Frameworks
- Tom Muldoon, Senior Manager, Global Public Sector, Grant Thornton
- Ben McLawhorn, Risk Mitigation Services Manager, Office of the State Controller (NC)
- Grant Simmons, Senior, Financial Management and Assurance Team, Government Accountability Office

CS#15. State Governments at Risk: The Emerging Cyber Threat
- Lieutenant General Harry D. Raduege Jr. (USAF, Retired), Chairman, Deloitte Center for Cyber Innovation, Deloitte Services
- Mike Wyatt, Director, Security and Privacy Services, Deloitte & Touche LLP

CS#16. Economic Report for the States
- Scott D. Pattison, Executive Director, National Association of State Budget Officers
- Stanley Czerwinski, Director for Intergovernmental Relations, U.S. Government Accountability Office
- John Sugden, Senior Director – Analytical Manager, U.S. State Ratings Group, Standard & Poor’s

CS#17. Investigating and Collecting Unclaimed Life Insurance Proceeds
- John Chiang, State Controller (CA)
- Marc S. Cohen, Partner, Kaye Scholer
- James E. Hartley, Jr., Chief Executive Officer, Verus Financial LLC
- Steven Rosenthal, Partner, Kaye Scholer

CS#18. Tax Issues Affecting State Governments
- Tannille M. Francis, Tax Law Specialist, U.S. Internal Revenue Service
- Tanya T. Harrison, Deputy Commissioner, Inspectional Services Division, Department of Revenue (MA)

CS#19. Fraud Prevention: Commercial Cards and Payments
- Orson Morgan, Senior Account Executive, Public Sector and Higher Education, Visa, Inc.
- Michael Pressman, Vice President of Treasury Services. J.P. Morgan

GS#4. The Redcoats Are Coming
- James Caul, Executive Director, Massachusetts Budget Commission
- Lieutenant General Harry D. Raduege Jr. (USAF, Retired), Chairman, Deloitte Center for Cyber Innovation, Deloitte Services
- Mark Goldstone, Chair, MSRB, and former Chief Operating Officer of the City of San Diego

Emerging Issues Roundtable
- Moderator: James B. Lewis, State Treasurer (NM)

Download handouts and speaker biographies at www.nasact.org/conferences_training/nasact/conferences/AnnualConferences/2013AnnualConference/materials.cfm
ACA Imposes New Reporting Requirements – IRS Issues Transition Relief

The Affordable Care Act, enacted on March 23, 2010, contains several tax provisions that affect state governments. In addition to reporting requirements imposed on a state as an employer, the act also contains provisions that would affect states that self-insure. Many of the requirements contained in the act have already been imposed, but several more will begin over the next several years. To help guide affected parties, the Internal Revenue Service has established an ACA webpage that contains a host of information for those that must comply.

The IRS’ ACA homepage (www.irs.gov/uac/Affordable-Care-Act-Tax-Provisions-Home) is organized to provide information to individuals, employers or other types of entities. State governments should review the information provided under the employer and other categories.

Beginning in January of this year, employers should have begun withholding and reporting an additional 0.9 percent Medicare tax on employee wages or compensation that exceeds $200,000, as well as reporting the value of health insurance provided to an employee on their form W-2.

The act requires information reporting under § 6056 with respect to the health coverage offered to full-time employees. An annual return is required, reporting whether and what health insurance was offered to employees. Additional annual reporting is required for those that provide self-insured health coverage. Recognizing the complexity in the new reporting, the IRS issued Notice 2013-45 providing transition relief for affected parties.

These provisions are eligible for the transition relief. An excerpt from the notice states:

“…this notice provides transition relief for 2014 from (1) the information reporting requirements applicable to insurers, self-insuring employers, and certain other providers of minimum essential coverage under § 6055 of the Internal Revenue Code (Code) (§ 6055 Information Reporting), (2) the information reporting requirements applicable to applicable large employers under § 6056 (§ 6056 Information Reporting), and (3) the employer shared responsibility provisions under § 4980H (Employer Shared Responsibility Provisions). This transition relief will provide additional time for input from employers and other reporting entities in an effort to simplify information reporting consistent with effective implementation of the law. This transition relief also is intended to provide employers, insurers, and other providers of minimum essential coverage time to adapt their health coverage and reporting systems. Both the information reporting and the Employer Shared Responsibility Provisions will be fully effective for 2015. In preparation for that, once the information reporting rules have been issued, employers and other reporting entities are encouraged to voluntarily comply with the information reporting provisions for 2014. This transition relief through 2014 for the information reporting and Employer Shared Responsibility Provisions has no effect on the effective date or application of other Affordable Care Act provisions.”

For a full copy of the notice please visit www.irs.gov/pub/irs-drop/n-13-45.PDF.

GOVERNING Webinar Examines Revenue Collection Practices

Earlier this month, GOVERNING Magazine hosted a webinar on actions that state and local governments are taking to collect outstanding revenue owed to them. The webinar, entitled “Past Due: How Savvy Governments are Accelerating Revenue Collection,” examined collection efforts and ways to enhance them, including:

• Improving data quality to create a single, accurate view of each entity.
• Incorporating analytics to resolve the identity and location of existing debtors.
• Prioritizing collection efforts.
• Creating personalized, easy-to-understand communications that increase compliance.
• Eliminating redundancies and waste.

The webinar features slides on effective collection strategies, including methods that states are using to collect the owed money. These strategies include:

1. Offsets of state and federal tax refunds.
2. Liens, levies, garnishments and license holds.
3. Centralized collections.
4. Increased staffing.
5. Better use of private collection agencies.

The slideshow and audio presentation of the webinar can be found at www.governing.com/events/webinars/.

NASACT’s Washington Update is issued weekly when Congress is in session. Find it at www.nasact.org/washington/washingtonupdate.cfm
Continuing Disclosures Work Group Releases Best Practices for States

NASACT recently approved “Voluntary Interim Financial Reporting: Best Practices for State Governments.” The document outlines ten best practices to be implemented by states on a voluntary basis to augment their existing disclosure programs. The best practices were approved by NASACT’s Executive Committee at a meeting on August 11.

The best practices were developed by NASACT’s Continuing Disclosures Task Force, co-chaired by Kim Wallin, state controller of Nevada, and Colin MacNaught, assistant treasurer for debt management in Massachusetts. The task force was created to examine continuing disclosure and to explore how unaudited financial and related information can be made more readily available to municipal bond investors on an interim basis. The best practices are not standards or requirements, and they should be considered by state governments with a view toward adapting them to each state’s particular circumstances and available information.

“Improving continuing disclosure is a progressive process. We recognize that each state is different and will have varying levels of capacity to fully implement the best practices,” said Martin J. Benison, comptroller of Massachusetts. “However, we strongly believe that it is important for states to address disclosure concerns raised by the investor community and regulatory authorities. And we strongly believe that this can be accomplished without statutory changes.”

Mr. Benison also stated, “NASACT gratefully acknowledges contributions from the National Federation of Municipal Analysts’ Disclosure Committee. It was critical that NASACT received investor input in developing this document.”

For issuers able to provide them, ten items are recommended to improve interim disclosure:

1. Tax revenues
2. Budget updates
3. Cash flow
4. Debt outstanding
5. Economic forecasts
6. Pensions and other-postemployment benefits (OPEB)
7. Interest rate swaps and bank liquidity
8. Investment
9. Debt management policies
10. Filings with the Electronic Municipal Market Access (EMMA) system

It is recommended that the first four items be updated regularly and the remainder as the information changes. The updates should be recurring and should be released within 40 days of the end of each quarter. Providing the unaudited interim financial information on a quarterly basis is a minimum suggested practice. The items should be made available via a dedicated investor website, webpage or link on a state’s homepage. States should consult with bond counsel to determine which disclosures to make and draft appropriate disclaimer language.

“These voluntary enhancements to state disclosure efforts will maximize the potential for information that is already gathered by states for other purposes in many instances,” said Kim Wallin, co-chair of the task force. “Putting the information online in a central, easily-accessible location will benefit the entire investor community and enhance the market overall.”

“Our hope for the best practices,” said Colin MacNaught, co-chair of the task force, “is that they will enable states, over time, to continually enhance their existing disclosure programs. The ultimate aim is a transparent and efficiently operating bond market.”

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MSRB Unveils Disclosure Alert Option

The Municipal Securities Rulemaking Board has announced a new service that will allow state and local governments to schedule automated email reminders about an approaching deadline for providing annual and quarterly financial disclosures. According to the MSRB:

“Recent enforcement actions by the Securities and Exchange Commission against municipal bond issuers have brought into focus the legal liabilities and financial harms that can result from incomplete or untimely disclosures. In keeping with the MSRB’s mission to protect both investors and issuers of municipal securities, the MSRB is providing additional tools to help issuers understand and comply with their financial disclosure obligations. Regular and timely disclosure of financial information has the dual benefit of helping issuers protect their access to the municipal market and helping ensure that investors have the information they need to make informed investment decisions.”

Details on how to schedule the financial disclosure email reminders can be found at www.msrb.org/msrb1/pdfs/Financial-Disclosure-Email-Reminders-Fact-Sheet.pdf.
NASACT Business Meeting Highlights
By Glenda Johnson, Communications Manager

NASACT held its yearly business meeting at the recent annual conference in Boston on Tuesday, August 13. President Martin J. Benison, comptroller of Massachusetts, led the meeting. Highlights are provided below. Minutes will be made available at www.nasact.org (members only content).

Committee on Accounting, Reporting and Auditing (CARA)

Alan Skelton, state accounting officer in Georgia and co-chair, provided the report. The CARA met at the conference on Sunday, August 11, and met via conference call on May 21. He reported the following:

• David Bean from the Governmental Accounting Standards Board participated in the CARA’s August 11 meeting. Mr. Bean said that GASB will be examining the financial reporting model and that some GASB projects have been postponed pending this project. The committee will be closely monitoring developments in this area, keeping members apprised.

• NASACT members have been focused on implementing GASB’s recent pension standards. NASACT has formed a Pension Standards Implementation Work Group, which has been very helpful. The next call of the group will focus on special funding situations. The work group includes participants from 48 states and Guam; Greg Griffin, state auditor of Georgia, chairs the work group.

• As part of the GAAP Hierarchy Project, the GASB plans to issue an exposure draft on the Comprehensive Implementation Guide in January 2014. The document will contain over 2,000 questions, so the committee will be examining ways to split up the review to make it more workable for those participating in NASACT’s response to GASB.

The CARA will hold its next conference call on December 3.

Financial Management and Intergovernmental Affairs Committee (FMIAC)

D. Clark Partridge, state comptroller of Arizona and chair of the FMIAC, reported on the committee’s recent activities and issues it is monitoring.

• NASACT continues to participate in efforts by the U.S. Office of Management and Budget to facilitate significant grant reforms. NASACT gathered comments from members to respond to OMB’s proposed grant reform changes in May of this year. OMB is still deliberating comments. The final reform notice is expected to be released after September 30 but before December 20 this year.

• NASACT continues to monitor several muni market issues, including proposals from the Securities and Exchange Commission aimed at reforming the operation of money market funds to avoid the types of runs that occurred at the height of the financial crisis in 2008. The proposal offers two reforms that could be adopted together or alone. One proposal would require a floating net asset value (NAV) for prime institutional money market funds. The second alternative would use liquidity fees and redemption gates during times of stress. NASACT and other government groups continue to oppose moving from a fixed to a floating NAV due to concerns about the effects such a move would have on local government investment pools and other concerns.

• The committee is following issues related to the implementation of the Affordable Care Act and the effects on states.

• Other issues the committee continues to follow closely include transparency initiatives (including the DATA Act), tax reform efforts, pension issues and federal efforts to improve collaboration and efficiency.

Continuing Disclosures Task Force

Kim R. Wallin, state controller of Nevada, co-chaired this task force of the FMIAC, the Continuing Disclosures Task Force.

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NASACT Elects New Executive Committee Officers

At the recent NASACT business meeting, association members approved a new slate of officers for FY 2014. Shown left to right: Debra K. Davenport, auditor general (AZ), treasurer; Martin J. Benison, comptroller (MA), immediate past president; William G. Holland, auditor general (IL), first vice president; James B. Lewis, state treasurer (NM), president; Richard K. Ellis, state treasurer (UT), secretary; and Calvin McKelvogue, chief operating officer (IA), second vice president.
The goal of the task force was to develop recommendations for state governments to improve disclosure efforts. The work of the task force culminated in the release of a paper at the conference entitled “Voluntary Interim Financial Reporting: Best Practices for State Governments.” The report was adopted by NASACT’s Executive Committee at its meeting on Sunday, August 11, and was released to the media on Tuesday, August 13.

Membership Committee

Rebecca Otto, state auditor of Minnesota and chair of the committee, reported that the committee has worked during the past year on various outreach efforts to new and existing members. The following new members attended the Boston conference:

- John Dougall, state auditor of Utah.
- Doug Hoffer, state auditor of Vermont.
- Brandon Woolf, state controller of Idaho.
- Julie Feldman, state accountant of Montana.
- Hari Kadavath, state accounting administrator of Nebraska.
- Neria Douglass, state treasurer of Maine.

Budget Committee

Richard K. Ellis, state treasurer of Utah and chair, reported that NASACT is expecting a net increase in assets of approximately $46,000 for FY 2013. While the FY 2014 year just began, two major revenue items, member dues and corporate associates revenue, are either at or near budget.

Resolutions Committee

Elaine Howle, state auditor of California, brought forward three resolutions for consideration by the members:

1. Thanking and commending President Benison for his service as NASACT’s president.
2. Recognizing the conference hosts for planning the 2013 NASACT Annual Conference in Boston.
3. Recognizing Robert H. Attmore for his service to the GASB and to the state of New York, as well as his involvement with NASACT.

A motion was made, seconded and passed unanimously to approve these three resolutions.

Strategic Planning Committee

James B. Lewis, state treasurer of New Mexico and chair, reported that in March, the committee was tasked by President Benison with examining NASACT’s reserve policy to develop recommendations about the appropriate amount for the reserve fund and what should be done if the reserve amount exceeds that threshold. The committee met on July 29 via conference call to discuss this matter. After reviewing various facets of the issue, the committee unanimously recommended to the Executive Committee that the association do the following to help spend down some of its reserve funds:

1. Increase travel assistance for each member office to $2,000 to attend the NASACT annual conference.
2. Memorialize and make permanent travel assistance to state auditors and state comptrollers to attend the NSAA and NASC annual conferences, respectively, and increase the amount for each member of finance from $750 to $1,000.

These new member benefits will go into effect for the FY 2015 budget, beginning with the NASACT annual conference scheduled in Santa Fe in August 2014.

Time and Place Committee

William G. Holland, auditor general of Illinois and chair, reported that the 2014 annual conference will be held in Santa Fe, New Mexico, on August 9-13 at the Eldorado Hotel. The 2015 conference, which will be the association’s 100th annual conference, will be held in Chicago, Illinois, on August 22-26 at

(article continued, next page)
the Chicago Marriott Downtown. Calvin McKelvogue, who is scheduled to be NASACT’s president in 2016, will have the right of first refusal to host the conference that year.

Financial Accounting Foundation Trustee Selection Task Force

Mr. Lewis reported that Cynthia Eisenhower’s term on the FAF as a government trustee expires in December 2013. NASACT is working with the other public interest groups to identify potential candidates to succeed her.

He also reported that Mr. Benison, who currently serves as chair of the Governmental Accounting Standards Advisory Council and NASACT’s representative on the GASAC, is eligible for one more two-year term as chair. The Executive Committee unanimously voted at its meeting on August 11 to nominate Mr. Benison for this final term.

Last year, NASACT established a subcommittee to review GASAC agenda items prior to meetings in order to help Mr. Benison better represent the association’s broader viewpoints. Mr. Benison thanked this group for their input this year.

Center for Governmental Financial Management

Kinney Poynter, NASACT’s executive director, reported that last year NASACT entered into a cooperative agreement with the CPCE-F, the Mexico comptroller’s association. Although funding for the program ends on August 31, 2013, NASACT hopes to continue it as part of an exchange coordinated by the Council of State Governments.

Additionally, he reported that NASACT recently facilitated a visit by auditors from Ghana to visit the states of Tennessee and Rhode Island to study their practices for auditing ERP systems.

Nominating Committee

Ronald L. Jones, chief examiner of Alabama and chair, moved that the association accept the following slate of officers for 2013-14:

- President: James B. Lewis, state treasurer, New Mexico.
- Second vice president: Calvin McKelvogue, chief operating officer, Department of Administrative Services, Iowa.
- Secretary: Richard K. Ellis, state treasurer, Utah.
- Treasurer: Debra K. Davenport, auditor general, Arizona.

The motion was unanimously approved by the members. Mr. Jones administered the oath of office to the officers.

Association Report

Mr. Poynter provided an update on several administrative items and additional activities:

- Since NASACT signed a new benchmarking contract with The Hackett Group last year, three states have purchased new benchmarking services: Oregon, Delaware and Nevada. States can find out more about the program by contacting Kim O’Ryan at koryan@nasact.org.
- NASACT had record attendance this year at the spring Tennessee Training Seminars with 608 participants. The seminars provide continuing professional education to CPA’s auditing government in the state of Tennessee. Those wishing to explore a similar program in their states should contact Mr. Poynter at kpoynter@nasact.org.
- NASACT continues to offer association management services to the Association of Local Government Auditors and the National Association of State Retirement Administrators.
- NASACT is participating in an international research program with Accenture entitled “Public Service for the Future.”
- NASACT again partnered with Grant Thornton and the Association of Government Accountants to conduct an annual public sector CFO survey. The survey results were released during a conference session in Boston.
- NASACT is collaborating with the U.S. Government Accountability Office to brief state auditors on issues regarding the new healthcare exchanges resulting from the Affordable Care Act.
- NASACT will be implementing new association management software, which will include the development of and integration with a new website. The vendor selected to provide the new services is a company called Timberlake.

Next Meeting/More Information

The next NASACT business meeting will be held at the 2014 NASACT Annual Conference on August 12 in Santa Fe. Questions about the content of this article may be directed to Glenda Johnson at gjohnson@nasact.org.

Are You Interested in Serving on a NASACT Committee? If you have not already indicated your interest, and you are interested in serving on one of the committees listed below, please contact Glenda Johnson at gjohnson@nasact.org or (859) 276-1147.

- Training and Professional Development
- Membership Development
- Pension Standards Implementation Work Group
- Committee on Accounting, Reporting and Auditing (CARA)
- Financial Management and Intergovernmental Affairs (FMIAC)
NASACT Welcomes New Executive Committee Members

In addition to the officers, NASACT’s Executive Committee is made up of three auditors, three comptrollers and three treasurers. The auditors are the president, vice president and secretary/treasurer of the National State Auditors Association. The comptrollers are the president, vice president and secretary/treasurer of the National Association of State Comptrollers. The treasurers are assigned by the National Association of State Treasurers. Several new members rolled onto NASACT’s Executive Committee following the NASACT business meeting on August 13.

Debra K. Davenport, as the highest ranking past president of NSAA, is the newest officer on NASACT’s Executive Committee, serving as treasurer. She was appointed auditor general of Arizona effective October 12, 1999. She has more than 29 years of auditing experience in both the public and private sectors. During her 21 years with the Office of the Auditor General, her experience includes managing state audits and overseeing administrative activities. During her eight years with a national public accounting firm, her experience includes managing audit and tax functions as an audit manager.

Ms. Davenport is a graduate of Arizona State University with a bachelor of science degree in business administration (accounting). She is a certified public accountant, a certified government financial manager, and a certified fraud examiner.

David Martin is NSAA’s secretary/treasurer.

He was appointed auditor general of Florida effective October 1, 2007. He is a certified public accountant and a certified government financial manager.

Mr. Martin has spent most of his professional career with the Florida Auditor General’s Office. He has served over 25 years on the Florida Auditor General’s staff, including the most recent 16 years as an audit manager with primary responsibility for audits of school districts.

Mr. Martin received his bachelor’s degree in accounting from the University of Florida in 1980.

David A. Von Moll is NASC’s vice president.

He was appointed state comptroller of Virginia in November 2001 and has served four governors. Mr. Von Moll directs the operations of the Department of Accounts, which develops and implements statewide financial management and internal control policies and operates the state’s central financial management systems. His office also prepares Virginia’s comprehensive annual financial report and other statewide financial management and compliance reports and implements internal control and agency oversight programs to ensure conformance with generally accepted accounting principles. Mr. Von Moll has served in various positions in the Department of Accounts over the past 27 years and prior to that eight years with the Virginia Department of Taxation.

Mr. Von Moll holds a bachelor’s degree in accounting from Old Dominion University and a master’s degree in business administration from Virginia Commonwealth University. He is a certified public accountant and is a certified government financial manager.

John Reidhead is NASC’s secretary/treasurer.

He was appointed director of the Utah Division of Finance in September 2005 after a short period serving as the assistant director.

Mr. Reidhead was hired as the assistant state comptroller over financial reporting and related areas in March 2001, where he was responsible for the CAFR, single audit, and the popular reports and oversaw the successful implementation of GASB statements including GASB 33 and 34 for the state.

Prior to joining the Division of Finance, he was an audit director with the Utah State Auditor’s Office, having served in various positions over his 17 years there. He graduated from Southern Utah University in 1983 with a bachelor’s degree in accounting.

Rolling off the Executive Committee were Ronald L. Jones, chief examiner of Alabama, Elaine M. Howle, state auditor of California, and Richard Eckstrom, comptroller general of South Carolina.

To see the complete Executive Committee roster, visit www.nasact.org/nasact/committees/executive/index.cfm. Members may also log in to view past committee meeting minutes.

NASACT’s Executive Committee will hold its next in-person meeting on March 11 in conjunction with the 2014 NASC Annual Conference in Reno, Nevada.
New at www.nasact.org

The following new items have been posted on NASACT’s website:

- NASACT’s Response Letter to the GASB’s exposure draft on Pension Transition for Contributions Made Subsequent to the Measurement Date at www.nasact.org/nasact/positions/GASB.cfm.

- NSAA technical inquiries on the following topic at www.nasact.org/nsaa/technical/index.cfm (members only content):
  - Auditor Independence

- NASC technical inquiries on the following topics at www.nasact.org/nasc/technical/index.cfm (members only content):
  - Electronic Distribution of W-2s
  - Checkbook Payments

- The following documents:

NASACT Seeks Input on FAF Proposal on GASB Scope of Authority

The Financial Accounting Foundation recently issued for comment a revised proposal to clarify the characteristics of information that the Governmental Accounting Standards Board may incorporate into the financial accounting and reporting concepts, standards, and guidance that it issues for state and local governments. Download the proposal at www.nasact.org.

The proposal, GASB Scope of Authority: Consultation Process–Revised Proposal, outlines a revised process through which the GASB would consult with the FAF trustees’ Standard-Setting Process Oversight Committee to determine whether certain information that the GASB might consider for standard-setting activity is “financial accounting and reporting information” and is within the scope of the Board’s standard-setting mission.

The new proposal would maintain the GASB’s independence by moving the Oversight Committee’s involvement from the agenda-setting process to a pre-agenda consultation. It also would clarify the FAF trustees’ role in advising and counseling the GASB as it determines whether information to be used in standard setting constitutes “financial accounting and reporting information.”

The FAF’s deadline for comments is September 30. To participate in NASACT’s response to the proposal, send your comments to Kinney Poynter at kpoynter@nasact.org by September 13.

Upcoming Information Sharing Calls

September
- NSAA Pension Audit Issues Work Group – September 5

October
- NSAA Human Resources Information Sharing – October 30

November
- NASC Payroll Information Sharing – November 13
- NASC Travel & P-Card Information Sharing – November 20

December
- NASACT Committee on Accounting, Reporting and Auditing – December 3

Get Involved!
For information on participating in any of these calls, contact NASACT’s headquarters office at (859) 276-1147.
NASACT Announces Next Webinar

“Treasury Offset Program: How Federal and State Partnerships Can Cost Effectively Maximize Debt Recoveries” – **September 18**

Thanks to a strong federal-state partnership in FY 2012, the Treasury Offset Program (TOP) achieved significant recoveries: more than $3 billion in delinquent debt on behalf of state governments. These recoveries included delinquent child support, state income tax obligations, unemployment insurance compensation fraud debts and more. In return, states recovered overdue debts for the federal government. At a time when states are looking to increase revenues, Treasury’s Fiscal Service can deliver long overdue funds by helping states participate in all of TOP’s programs. This webinar will provide:

- An in-depth look at the TOP and each of its state programs.
- A perspective on the impact TOP can have for your state.
- An understanding of how to successfully maximize debt recoveries through TOP.

Speakers for this informative two-hour session include:

- Wanda Rogers, Deputy Commissioner of Financial Services and Operations, Bureau of the Fiscal Service
- Jeffrey Schramek, Assistant Commissioner, Debt Management Services
- Ronda Kent, Deputy Assistant Commissioner, Debt Management Services
- Alyssa Riedl, Director of the Debt Collection Program Management Directorate, Debt Management Services
- James Keifer, Deputy Director, Compliance Administration, District of Columbia
- Carol Marshall, Revenue Tax Supervisor, Collection Division, State of Minnesota.

Participants will also have an opportunity to ask questions and share experiences during the last 25 minutes of the webinar.

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**Webinar: Treasury Offset Program**

Date: Wednesday, September 18, 2013

Time: 2:00 - 4:00 p.m. Eastern Time

CPE: Two credits

Cost: $299.00 per group (unlimited attendance) or $50 per person

Register: Register today at www.nasact.org!

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Other Webinar Offerings Coming Soon!

- October 23: Reaching New Heights: Providing Consistent and Sustainable High Performance at the State Level
- November 6: High Impact Audits and Reports: NSAA’s 2013 Excellence in Accountability Award Winners

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**NASACT Seeks Member Input on GASB Documents**

NASACT will be preparing association positions on the following documents issued by the Governmental Accounting Standards Board:

- **Preliminary views, Fair Value Measurement and Application** (GASB response deadline: September 30; NASACT response deadline: September 6)

- **Exposure draft, Measurement of Elements of Financial Statements** (GASB response deadline: September 30; NASACT response deadline: September 6)

To participate in NASACT’s responses, email your comments to Kim O’Ryan (koryan@nasact.org) or Sherri Rowland (srowland@nasact.org).

**NSAA Seeks Member Input on “Attestation Standards: Clarification and Recodification”**

The Auditing Standards Board of the American Institute of Certified Public Accountants has issued an exposure draft that would clarify and re-codify certain statements on standards for attestation engagements in the AICPA’s Professional Standards. As with the ASB’s project on clarifying the SASs, this project was undertaken to address concerns over the clarity, length, and complexity of the SSAEs.

The ED can be found at www.aicpa.org/Research/ExposureDrafts/AccountingandAuditing/Pages/ExposureDrafts_ASB.aspx.

NSAA, through the Audit Standards and Reporting Committee, will prepare a response to this ED. The AICPA’s comment deadline is October 24. **To participate in NSAA’s response, send your comments to Sherri Rowland (srowland@nasact.org) by September 25.**
2013

September 30-October 3  ■  NSAA IT Workshop and Conference, Raleigh, NC
October 23  ■  Webinar: Reaching New Heights – Providing Consistent and Sustainable High Performance at the State Level
November 6  ■  Webinar: High Impact Audits and Reports – NSAA’s 2013 Excellence in Accountability Award Winners

2014

March 11  ■  NASACT Executive Committee Meeting, Reno, NV
March 12-14  ■  NASC Annual Conference, Reno, NV
June 10-13  ■  NSAA Annual Conference, Saint Paul, MN
August 9-13  ■  NASACT Annual Conference, Santa Fe, NM

There Is Still Time to Register for the 2013 NSAA IT Workshop and Conference!
By Donna Maloy, Conference Manager

The 2013 IT Workshop and Conference is scheduled for September 30 – October 3, 2013, in Raleigh, North Carolina. The workshop, which will cover forensics (including forensics in the cloud), data hiding, onsite triage, and hands on with triage tools, will be held on Monday, September 30. The conference will follow on Tuesday, October 1 through noon on Thursday, October 3. Conference topics will include linking IT audit risks to financial statement risks, ACL fraud detection, systems implementation project management, using COBIT 5 as audit criteria, and many more!

• **Getting There** – The hotel is located 15 miles from Raleigh-Durham Airport (RDU). Shuttle and taxi service is available.
• **Registration Fees and CPE** – Registration fees are $150 for the workshop and $395 for the conference per attendee. Eight continuing education credits will be given for the workshop and 19 credits for the conference.
• **Additional Information** – Complete hotel information, conference agenda and online registration are available on NASACT’s website at www.nasact.org.

Questions about the conference program can be addressed to Sherri Rowland at srowland@nasact.org. Questions about registration or the conference hotel can be addressed to Donna Maloy at dmaloy@nasact.org.
NASACT wishes to acknowledge the supporters of the 2013 NASACT Annual Conference. Thank you for your support!

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**2014 NASACT Annual Conference**
- August 9-13, 2014
- Santa Fe, NM

It’s not too early to go ahead and mark your calendar for the 2014 NASACT Annual Conference, which will be held in Santa Fe, New Mexico, at the Eldorado Hotel. The conference will be hosted by NASACT President James B. Lewis, state treasurer of New Mexico.

All NASACT member offices will be eligible to receive up to $2,000 in travel assistance. Please plan to attend!
President Martin J. Benison (MA) kicked off the opening ceremonies and welcomed attendees each morning during the conference.

The 54th Massachusetts Volunteer Regiment Company A presented the colors during opening ceremonies.

A panel of healthcare experts from Massachusetts shared their experiences during the first general session.

Glen Gainer (WV) participated in a session to talk about West Virginia’s ERP experiences.

NSAA President Rebecca Otto (MN) led the state auditors in their yearly August business meeting.

Left to right: David Vaudt, chairman, and David Bean, director of research, both from the GASB; and Mark Stockwell, a senior financial analyst with Standish Mellon Asset Management.
President Benison presented Elaine M. Howle (CA) with a President’s Award, recognizing her leadership of the state auditors and her efforts on the Peer Review Program.

President Benison presented Kim R. Wallin (NV) with a President’s Award, recognizing her efforts as co-chair of the Continuing Disclosures Task Force and other accomplishments.

President Benison presented Manju Ganeriwala (VA) with a President’s Award recognizing her efforts to preserve the tax exempt status of municipal bonds.

Robert H. Attmore was recognized with a Distinguished Service Award for his service as GASB chairman and his years of service to the State of New York and to NASACT.

President Benison presented Colin MacNaught (MA) with a Special Recognition Award for his work as co-chair of the Continuing Disclosures Task Force.

President Benison presented Jenny Hedderman (MA) with a Special Recognition Award for her work on NASACT’s Benchmarking Program.
John Chiang (CA) shares his perspectives on California’s economy and current and future challenges and successes.

Far left: Ronald L. Jones (AL) administers the oath of office to NASACT’s new Executive Committee officers during the NASACT business meeting.

The last general session of the conference, “The Muni Market: Views from MSRB and NFMA,” was well attended on Wednesday morning.

Left to right: Kim R. Wallin (NV), John Chiang (CA), Thomas P. DiNapoli (NY) and Susan Combs (TX) spoke on the Tuesday morning general session, a “CFO Panel.”

After assuming the presidency of NASACT, James B. Lewis (NM) addresses the group to outline his priorities for the year.

Stephanie Roach (MI), Scott Olsen (MA), and Dale Schaft (VT), all having served as host state conference coordinators, catch up with Donna Maloy, NASACT’s conference coordinator.