On Thursday, September 19, several NASACT leaders met with representatives from the U.S. Securities and Exchange Commission to discuss NASACT’s recently issued document suggesting continuing disclosure best practices for governments. Participating from NASACT were President James B. Lewis, state treasurer of New Mexico; Kim R. Wallin, state controller of Nevada and co-chair of NASACT’s Continuing Disclosures Task Force; and Martin J. Benison, comptroller of Massachusetts and immediate past president of NASACT. They met with John Cross, director, and Mary Simpkins, senior special counsel, both with the SEC’s Office of Municipal Securities.

In August, NASACT released the document titled “Voluntary Interim Financial Reporting: Best Practices for State Governments.” The document was developed by the Continuing Disclosures Task Force and was released at the 2013 NASACT Annual Conference. The best practices are intended to help states improve disclosure by providing voluntary financial information in a more timely manner. They were developed to help bridge the gap between the desire for more timely information and the reality of how long it takes states to issue audited financial statements. After the meeting, John Cross commented, “I applaud this effort. This is an outstanding initiative.”

In addition to enjoying a favorable reception by the SEC, the best practices were also recently endorsed by the National Federation of Municipal Analysts’s board of governors. In a September press release, Jeff Burger, NFMA’s chair commented, “We are pleased to endorse the efforts of the task force, and commend NASACT for its role as a leader in municipal bond market disclosure.” NFMA’s Continuing Disclosure Task Force provided input to NASACT’s task force as it worked to develop the best practices. “We hope to continue our work with NASACT and other industry groups, particularly issuers, to collaborate on improving disclosure in the municipal market,” said Bill Oliver, NFMA’s industry media liaison.

For issuers able to provide them, NASACT’s document recommends ten items 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

The recommended best practices are not standards or requirements, and they should be considered with a view toward adapting them to each state’s particular circumstances and available information. The complete best practices document may be downloaded from NASACT’s website at www.nasact.org/nasact/publications/papers/best_practices_document.pdf.

Next Step: An Implementation Task Force

NASACT President James B. Lewis is now working to establish an implementation task force to implement the suggested best practices on interim disclosure. Several states have already volunteered to pilot the implementation. Are you interested in getting your state involved? If so, email Kinney Poynter at kpoynter@nasact.org.
News From Washington

New Newsletter for Muni Issuers

Municipal Market Advisors, an independent firm providing strategic analysis and commentary on the U.S. municipal bond market since 1995, has begun publishing a free weekly newsletter for muni bond issuers. The new publication, the Municipal Issue Brief (MIB), serves to present relevant market information to municipal bond issuers in a manner that is concise, understandable, usable and informative.

The MIB will focus on several factors in the industry and connect those issues to how they might affect a government’s debt-management program, including:

- Weekly market conditions.
- Current municipal bond investor interests.
- Issuer credit trends.
- Rating agency news.
- Regulatory and legislative issues out of Washington, D.C.
- Other marketplace and issuer industry events of interest.

This information is useful not only for those in the market, but also year-round so that issuers are aware of the trends and events that may affect outstanding bond portfolios and forthcoming financings.

To view the most recent edition and sign up for this free publication go to www.mma-research.com/MMA/NonMembers/MMAIssuer/MMAIssuer.asp.

MSRB Releases 2014 Priority List, Announces Outreach Events

The Municipal Securities Rulemaking Board recently released its priority item list for 2014. The MSRB is focused on a number of key issues affecting the fairness, transparency and efficiency of the municipal securities market. The list includes these four items:

1. Municipal Advisor Regulation. The MSRB will develop and begin to implement its municipal advisory regulatory framework, including publishing proposed rules for public comment and advancing development of a professional qualifications exam for municipal advisors. The MSRB will actively engage the municipal advisory industry throughout the process and will provide extensive education and outreach.

2. Price Transparency. The MSRB will continue to develop the foundation of a central transparency platform on the Electronic Municipal Market Access (EMMA) website by leveraging post-trade information. The MSRB also will consider rulemaking to support relevant price transparency improvements for issuers and investors, and implement EMMA usability enhancements based on user feedback.

3. Municipal Entity Protection. With its mandate to protect municipal entities under the Dodd-Frank Wall Street Reform and Consumer Protection Act, the MSRB will evaluate the broader range of municipal entities, beyond traditional issuers of municipal securities, with which municipal securities dealers and municipal advisors interact, and begin to establish the foundation for potential regulatory, educational and outreach activities to fulfill this expanded mandate.

4. Rule Rationalization. The MSRB will continue to simplify and rationalize its rulebook to promote regulatory efficiency and conduct rulemaking that is informed by a thorough analysis of costs, benefits and alternatives. The MSRB will also review all professional qualifications and continuing education requirements for municipal securities dealers.

In addition, the MSRB will host three education and outreach events for municipal market professionals around the country during its new fiscal year, beginning in Livonia, Michigan, on December 5, 2013. The events will provide an opportunity for industry professionals to learn about the MSRB’s initiatives to protect municipal securities investors and state and local governments. The MSRB will also host seminars in Atlanta, Georgia, on January 28, 2014, and Chicago, Illinois on July 29, 2014.

The agenda for the Michigan seminar can be found at http://msrb.org/msrb1/pdfs/MichiganOureachSeminarAgenda.pdf.

GOVERNING Webinar Examines State of the States for 2014

GOVERNING magazine recently hosted a webinar to preview topics for its upcoming conference, “Outlook in the States & Localities 2014,” which will be held February 4-5 at the National Press Club. The conference will include discussions on:

- The changing landscape of government as power shifts from the national to the state and local level.
- Where the money will be spent in the public-sector market.
- The muni-bonds market and trends in municipal finance.

- The changing role of chief financial officers.
- Public-sector workforce and succession planning.
- Pension reform.

During the webinar, GOVERNING also released results of a workforce employee retention survey, which examined the attitudes and opinions of state and local government employees and how they felt about their jobs. Of note, 38 percent of respondents said they would be willing to leave their state and local government jobs if conditions do not change.

The webinar can be viewed at https://www3.gotomeeting.com/register/435976782.
NASACT Responds to FAF’s GASB Scope Proposal

On September 30, NASACT responded to the Financial Accounting Foundation’s proposal GASB’s Scope of Authority: Consultation Process.

The proposal was issued by the FAF on August 20. It was 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.

The proposal outlined a revised process through which the GASB would consult with the FAF’s 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” 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.

Below is an excerpt from NASACT’s response letter:

Overall, we agree with the changes set forth relating to the proposed pre-agenda consultation process and the procedural improvements to further clarify the boundaries for GASB’s scope. We believe the proposed revisions improve upon the original proposal, while providing the FAF an appropriate means of oversight. Specifically, we believe the pre-agenda consultation better recognizes GASB’s independent role as a standard setting body.

In addition, the new proposal is more efficient, as the timing of the consultation is earlier in the process, and scope authority will be determined before significant GASB resources have been used. We strongly believe that more consideration should be given to efficient use of resources. This consideration should include the impact the standard-setting process has, and resulting standards will have, on governments. Most governments are operating with fewer resources, so it is more critical today that the benefits derived from new standards outweigh the cost to implement or comply with the standards.

To view the complete response letter, visit www.nasact.org/nasact/positions/GASB.cfm.

NASACT’s response to the FAF’s original proposal on GASB’s scope (from May of this year) can also be found at the same web address.

NASACT Announces Next Webinar – “What Does It Take for State Government to Consistently Deliver High Performance?”

It is no secret these are challenging fiscal times—particularly for state governments facing deep budget cuts, eroding tax bases and declining property values. To overcome current challenges, states are seeking smarter, more efficient ways to deliver greater accountability, effectiveness and productivity. One approach to achieve these goals is to chart a path towards consistently delivering “high performance.”

NASACT’s next webinar reveals ideas on how states can deliver consistent and sustainable high performance. The webinar features results from the report, “Reaching New Heights—Providing Consistent and Sustainable High Performance at the State Level,” which surveyed state auditors, comptrollers, treasurers and finance managers to uncover what states are doing to create a high-performing system—achieving better outcomes while cutting the cost of service delivery.

The webinar will explore answers to questions such as:

- What are the most important components for consideration?
- Where should my organization start?
- How can we increase opportunities to be high-performing?

- What challenges do we need to overcome?
- How can we chart a path forward?

Speakers for this informative two-hour training session are PN Narayanan, chief information officer, Pennsylvania Treasury, Michael Strauss, assistant director of financial systems, Delaware Division of Accounting, and Bob Sabo, executive director, Public Sector Solutions, Oracle.

This webinar is the latest in a series of events addressing timely issues in government auditing and financial management. The webinar is hosted by NASACT, in conjunction with the Association of Government Accountants, and the Association of Local Government Auditors.

What Does It Take for State Government to Consistently Deliver High Performance?

Date: Wednesday, October 23

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

CPE: Two credits

Cost: $299.00 per group (unlimited attendance) or $50 per person (free no-CPE option)

Register: Register at www.nasact.org
The National State Auditors Association held its annual IT conference in Raleigh, North Carolina, on October 1-3. The conference was preceded by a day-long workshop on September 30. The workshop featured the topics of digital forensics and evidence in the cloud and data hiding.

The PowerPoint presentations from the conference sessions are available on NASACT’s website at www.nasact.org/conferences_training/nsaa/workshop.cfm.

NSAA wishes to thank the speakers, moderators, and members of the NSAA E-Government Committee for their efforts to make this conference such a success. NSAA also wishes to extend special thanks to the conference host, North Carolina State Auditor Beth Wood, and Holli Harrison from her office. Special thanks also go to Chloe Haidet (Georgia) and Karen Heldermander (Virginia), chair and co-chair respectively of the E-Government Committee. See page 10 of this newsletter for photos from the workshop and conference.

The 2014 IT Workshop and Conference will be held in Grand Rapids, Michigan, at the Amway Grand Plaza Hotel, on September 30 through October 3.

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### MONDAY, SEPTEMBER 30

#### IT WORKSHOP

**Understanding Digital Forensics and Evidence in the Cloud**
- Giovanni Masucci, President/Sr. Digital Forensic Examiner National Digital Forensics, Inc.

**Data Hiding: The Evolving Threat – Lecture and Demonstrations**
- Chet Hosmer, Chief Scientist, WetStone Technologies, Inc., A Division of Allen Corporation

### TUESDAY, OCTOBER 1

#### Linking IT Risks to Financial Statement Risks
- Roger Boyd, Deputy Director, Department of Audits and Accounts (GA)
- Kristina Turner, Deputy Director, Department of Audits and Accounts (GA)
- Chuck Ross, Senior IS Security Specialist, Office of the Auditor of Public Accounts (VA)
- Matt Robinette, Information Security Specialist, Office of the Auditor of Public Accounts (VA)
- Holli Harrison, IS Audit Supervisor, Office of the State Auditor (NC)
- Zach Rogers, Assistant State Auditor, Office of the State Auditor (NC)

#### IT Risk Assessment for Government
- Jonathan Smith, Sr. Risk Manager, Virginia Information Technologies Agency

#### Health Information Technology Standards
- Joseph Grubbs, VP/Chief Information Architect, Binary Structures Corporation

#### Challenges and Innovative Solutions in State Government IT
- Jerry Fralick, Chief Security Officer, Lenovo (former North Carolina State CIO) — moderator
- Bob Brinson, CIO, NC Department of Public Safety
- Dave Ulmer, CIO, NC Department of Transportation
- Keith Werner, CIO, NC Department of Environment and Natural Resources

#### Roundtable: Defining IT Deficiency Magnitude and Reporting ITGC Deficiencies to the Public
- Moderator: Chloe Haidet, Director, Department of Audits and Accounts (GA)

### WEDNESDAY, OCTOBER 2

#### ACL Fraud Detection
- Nathan Abbott, IS Audit Manager, Office of the Comptroller of the Treasury (TN)
- Dan Boulden, Information Systems Auditor, Office of the State Auditor (NC)

#### SQL Scripting
- Goran Gustavsson, Audit Director, Office of the Auditor of Public Accounts (VA)

#### Using Automation for Compliance and Internal Controls Procedures
- Brad Hypes, Senior Specialist, Data Analysis, Office of the Auditor of Public Accounts (VA)

#### Outsourcing Audit Services: Virginia’s Privatization Study
- Staci Henshaw, Deputy Auditor of Public Accounts (VA)

#### Using COBIT 5 as Audit Criteria
- Art Hart, Audit Manager, Office of the Auditor General (FL)

#### Exception Noted: When Your Audit Programs May Not Be Reasonable
- David Schroth, Managing Director, Design Compliance and Security, LLC

#### IT Roundtable
- Moderator: Holli Harrison, IS Audit Supervisor, Office of the State Auditor (NC)

### THURSDAY, OCTOBER 3

#### Systems Implementation Project Management
- Luis Toledo, Information Systems Auditor, Office of the State Auditor (NC)
- Tracy Surratt, Information Systems Development Senior Specialist, Office of the Auditor of Public Accounts (VA)

#### Auditing Banner
- Karen Heldermander, Audit Director, Office of the Auditor of Public Accounts (VA)
- Kyle Webb, Auditor, Office of the Auditor of Public Accounts (VA)

#### Cognitive Traps and Auditing
- Michael Spivey, Information Systems Auditor, Office of the State Auditor (NC)
New at www.nasact.org

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

- NASC technical inquiries on the following topics at www.nasact.org/nasc/technical/index.cfm (members only content):
  - Benefit Programs and Vendors
  - Cash Flow
  - Offsetting Vendor Payments

- NASACT’s response letters to the Governmental Accounting Standard’s Board at www.nasact.org/nasact/positions/GASB.cfm:
  - PV on Fair Value Measurement and Application
  - ED on Measurement of Elements of Financial Statements


2013 Fact Sheet on State and Local Bankruptcy Available

NASACT and several other government groups have updated their fact sheet on state and local bankruptcy. The fact sheet seeks to inform the public and Congressional leaders and counter misinformation about the subject. Download the fact sheet at NASACT’s website at www.nasact.org/washington/downloads/announcements/02_13-Facts_You_Should_Know.pdf.

Do You Have Suggested Topics for a Webinar?

NASACT is currently accepting suggestions for the 2014 webinar season. If you have suggested topics you would like to see featured in a NASACT webinar, please email Kinney Poynter at kpoynter@nasact.org.

NSAA Seeks Peer Review Program Participants for 2014

NSAA has 17 peer reviews scheduled for 2014, which means that many review team members and leaders will be needed. Potential team members should complete the “Team Member Qualifications Form” that can be found at www.nasact.org/nsaa/peerreview/index.cfm (must be logged in to view). Even if a qualification form has been previously submitted, a new form must be filled out each year. Forms should be submitted by October 31, 2013. Questions about the Peer Review Program may be directed to Kathleen Young at kyoung@nasact.org.

Upcoming Information Sharing Calls

October
- NSAA Human Resources Information Sharing – October 30

November
- NSAA Performance Audit Information Sharing – November 7
- Pension Standards Implementation Work Group – November 12
- NASC Payroll Information Sharing – November 13
- NSAA Pension Audit Issues Task Force – November 14
- NASC Travel & P-Card Information Sharing – November 20

December
- NASACT Committee on Accounting, Reporting and Auditing – December 3
- NSAA Pension Audit Issues Task Force – December 12

Get Involved!
For information on participating in any of these calls, contact NASACT’s headquarters office at (859) 276-1147.
MSRB Provides Municipal Bond Issuers with Reminder Tool to Track Financial Disclosure Deadlines

Recent enforcement actions by the U.S. Securities and Exchange Commission against issuers of municipal securities have brought to light the legal liabilities and financial harm that can result from incomplete or untimely financial disclosures. These enforcement actions illustrate that inadequate disclosure can result in federal securities law liability, negative publicity for the municipal market and higher costs of capital. Issuers that regularly provide financial disclosures help protect their future access to the market.

To help state and local government issuers keep track of due dates for ongoing financial disclosure submissions, the Municipal Securities Rulemaking Board recently launched a financial disclosure reminder tool. This new service allows issuers to schedule automated email reminders about approaching deadlines for providing annual and quarterly financial disclosures to investors and the public through the Electronic Municipal Market Access (EMMA®) website.

When a state or local government issues bonds, it is required under SEC Rule 15c2-12 to sign a continuing disclosure agreement as part of the issuance process. Because the financial and operating status of any municipal securities issuer is likely to change over time, a continuing disclosure agreement commits the issuer to providing important information about the bonds that arises after their initial issuance. These ongoing disclosures required of the issuer inform both investors and the marketplace about the issuer and its securities, and support municipal market transparency. Whether the changes are positive or negative, disclosing timely, accurate and complete financial information is critical for issuers, investors and the municipal market.

Scheduling email reminders on the MSRB’s EMMA website can help ensure timely filing of annual and quarterly financial disclosures, including annual financial information, audited financial statements, annual budgets and quarterly financial statements. Issuers can include up to three additional email addresses in a scheduled reminder to ensure that anyone with a role in preparing and filing financial disclosures is advised of upcoming filing deadlines.

The MSRB’s financial disclosure email reminders feature is available to municipal securities issuers, obligated persons and other continuing disclosure submitters that have an MSRB Gateway account and use this account to log in to EMMA Dataport.

The MSRB’s Electronic Municipal Market Access (EMMA®) website is a comprehensive, centralized online source for free access to municipal disclosures, market transparency data and educational materials about the municipal securities market. Learn more about the MSRB at www.msrb.org.

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This article was contributed by the Municipal Securities Rulemaking Board.

GASB Offers Webcasts for Public Board Meetings

The Governmental Accounting Standards Board recently announced that it will provide live video webcasting of the Board’s in-person public meetings, beginning on October 30 and 31. Teleconferences, which are deliberative meetings held by telephone between in-person GASB meetings, will be audio-only webcast. Live webcasting of both in-person public meetings and teleconferences will be hosted on the GASB website.

This announcement follows the launch of the updated GASB website, branding, and logo.

“The new and improved GASB website, coupled with recent improvements to our office technology, prompted our decision to provide video webcasting of the Board’s public meetings and audio-only webcasts of teleconferences,” said GASB Chairman David A. Vaudt. “This will allow our stakeholders from across the nation to tune in to all the Board’s standard-setting activities for state and local governments. We anticipate that this will lead to increased participation in our due process.”

Previously, the only ways to tune into GASB’s public meetings were to attend in person or through telephone conferencing. Stakeholders interested in attending future meetings in person, however, can continue to register on the GASB website at www.gasb.org.

GASB Launches New Website, New Branding

The GASB has launched its updated website featuring friendlier navigation and “plain language” resources that provide extensive background on accounting and financial reporting issues for state and local governments. The new GASB website is designed to be the primary source of news and information about the GASB and its activities. The website includes videos and other new content intended for a wide range of viewers, from those who are unfamiliar with the GASB to those with extensive expertise in governmental accounting and financial reporting. The GASB also recently launched a new logo and branding.
Benison Re-Nominated to Serve on GASAC

At its meeting on August 11, 2013, the NASACT Executive Committee unanimously approved the re-nomination of Martin J. Benison, comptroller of Massachusetts, to serve as NASACT’s representative on the Governmental Accounting Standards Advisory Council (GASAC). Mr. Benison currently serves as chairman of the GASAC and he has been a member of the GASAC since 2010.

Input from NASACT to the GASAC is conveyed to Mr. Benison through a subcommittee of NASACT’s Committee on Accounting Reporting and Auditing.

IRS Seeks Applicants for ACT

The Internal Revenue Service is currently seeking applications for its Advisory Committee for the Tax Exempt and Government Entities Division (ACT). Kathy Sheppard (MA), Lisa Pusich (AK) and Bob Jaros (CO) are currently serving on the committee representing state government.

The ACT is an organized public forum for the IRS and representatives who deal with employee plans, exempt organizations, tax-exempt bonds, and federal, state, local and Indian tribal governments. The ACT allows the IRS to receive regular input on administrative policy and procedures of the Tax Exempt and Government Entities Division (TE/GE). Members are appointed by the Department of the Treasury and serve two-year terms, beginning in June 2014. There will be three vacancies in the federal, state, and local government segment and one vacancy in the tax exempt bond area.

Applications can be found on the IRS website at www.irs.gov; they will be accepted through November 4, 2013. ACT members are not paid for their time or service, but travel-related expenses are reimbursed.

If you have interest in serving in this important capacity, please submit your application to the IRS prior to the deadline. Please also let us know that you have applied so that we are aware of NASACT members who have expressed interest.

Questions or expressions of interest should be directed to Cornelia Chebinou at cchebinou@nasact.org.

New State Treasurer Appointed in Michigan

Kevin Clinton, a former insurance company executive who heads the Michigan Department of Insurance and Financial Services, will become state treasurer of Michigan effective Nov. 1. He was appointed by Gov. Rick Snyder. Mr. Clinton will replace Treasurer Andy Dillon, who resigned after nearly three years in office.

Mr. Clinton, who joined the Snyder administration as commissioner of the Office of Financial and Insurance Regulation in 2011, was promoted to director of the new Department of Financial and Insurance Services in March.

Mr. Clinton said he will emphasize simple and fair policies and outstanding customer service in his new role. An actuary by training, he said he wants to work on a financial model that could predict the needs of local governments and school districts more than five years out, and help avoid the need for emergency managers.

Before joining state government, Mr. Clinton served more than six years as CEO of American Physicians Capital, a medical insurance liability company that was based in East Lansing and sold to the Doctors Co. in 2010. Before that, he served five years as president and CEO of MEEMIC Insurance, based in Auburn Hills.

Federal Reserve Bank of Cleveland Hosts Conference on Public Pension Underfunding

The Federal Reserve Bank of Cleveland will host the 2013 conference on “Public Pension Underfunding: Closing the Gap” on November 21-22. The one-and-a-half-day conference highlights research and encourages a dialogue on the economic and financial market impacts of the fiscal burden on state and local governments resulting from underfunded public pension plans. To explore this topic, the conference will focus on three major themes:

1. The challenges state and local governments face in restoring balance in the funding of public pension plans.
2. The impact of economic conditions, financial market volatility, and low interest rates on public pension plan investment portfolios.
3. The ambiguity and evolution of the current legal environment regarding public pension reform.

The conference will feature research and policy sessions including both presentations and discussion panels on related agenda topics. The conference is free to attend. For more information or to register, visit www.clevelandfed.org/events/2013/pensions.
From Austerity to Productivity: The New Back-Office Imperative

By William Kilmartin, CGFM

A mid today’s difficult economic realities, many state governments are trying to close the large and widening gap between what citizens want from their governments and what governments can realistically deliver by instituting austerity measures. Combinations of cutting, taxing and borrowing can succeed in solving the math problem by balancing budgets. But austerity agendas do little to fulfill governments’ long-term commitments to deliver what their citizens expect and deserve. That is because austerity measures, by themselves, require people to do things they are unwilling to do: pay more for existing services, pay the same for fewer services, or simply defer the problem by passing debt to the next generation.

Accenture’s research suggests that new approaches to delivering public service for the future are needed. These new ways of operating are largely driven by four structural shifts—from standardized to personalized services, from reactive to insight-driven approaches, from public management to public entrepreneurship, and from piecemeal efficiency to mission productivity. The shift to productivity is particularly important for governments looking to close the gaps between expenditures, expectations and public service performance. It calls for governments to re-design services so they can provide more value, re-invest savings to drive economic growth, and repay their debts. A productivity agenda solves the budget problem and narrows the expectations gap. Importantly, it also lessens the burden for future generations (see Figure 1).

Given the economic reality of our times, governments must focus on savings wherever possible. Yet, they must not do so at the expense of productivity. The back office is particularly well placed to strike the right balance. While back offices make up a small share of government, they run the systems that keep the more visible front-office agencies functioning. Closing the expectations gap and resolving the fiscal crisis within governments won’t happen unless leaders of back-office administrative functions redesign those systems to energize front-office performance.

There are a number of examples of how back-office functions are shifting their focus to improve front-office productivity at the state level. In one instance, a back-office organization transformed its approach to reviewing and approving (or rejecting) contracts submitted by state agencies. It did so by delegating those responsibilities to the program agencies—and conducting risk-based post audits to ensure the contracts were in compliance. With this change, cycle time for contract review went from weeks to just days, with no loss of quality or rise in compliance issues. The comptroller’s office is now able to focus its time and energies on more strategic activities, while the program agencies are empowered to retain the services they need to serve their constituents much more quickly.

In another example, a back-office organization established an easy-to-use, non-tax revenue billing and collection system for all state agencies. Unlike the state’s tax department, program agencies historically had no standardized systems and best practices to collect the non-tax revenues for which they were responsible. For many agencies, collecting fees, fines, assessments, rents or other non-tax revenue was a secondary priority, which meant performance suffered and much revenue went uncollected. Once the back-office organization put the standardized policies, best practices and software systems in place, program agencies found it much easier to carry out their billing and collection responsibilities. Today, the state is generating tens of millions of dollars in previously uncollected revenue each year. The state is able to apply these additional funds to help balance its budget, reduce its deficit, and expand programs and service delivery to its citizens.

As these examples illustrate, back-office leaders can redesign systems for front-office performance. To do so, they must, as described by David Osborne and Peter Plastrik in Banishing Bureaucracy: The Five Strategies for Reinventing Government (1998), change their organizational “DNA.” That means putting mission at the core, applying consequences to results, assuring accountability to those being served, putting control in the hands of those closest to the work, and creating a culture that embraces and continually strives for high performance. Above all, it means delivering to the public the results they expect at the price they are willing to pay for their government. It’s time for all of us to think radically, deploy new processes and tools to deliver public service for the future, and use those we already have in better ways to drive productivity and high performance.

Calendar of Events

2013

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
September 30-October 3  ■  NSAA IT Workshop & Conference, Grand Rapids, MI

Mark Your Calendar for 2014!

By Donna Maloy, Conference Manager

NASC Annual Conference – March 12-14, 2014, Reno, Nevada
We begin 2014 with the annual conference of the National Association of State Comptrollers in March. NASC’s Program Committee, chaired by David Von Moll, state comptroller, Virginia, is currently working on the technical program. A draft program agenda will be posted to NASACT’s website in early January. The conference hotel, the Grand Sierra, is located in Reno, Nevada, and has a number of shopping, restaurant and entertainment options right on property.

NASACT Middle Management Conference – April 2014
Dates and location are currently being considered.

NSAA Annual Conference – June 10-13, 2014, Saint Paul, Minnesota
The state auditors will have their annual conference June 10-13, 2014, at the Saint Paul Hotel located in downtown St. Paul, near beautiful Rice Park and only steps away from the Mississippi River, dining and entertainment.

NASACT Annual Conference – August 9-13, 2014, Santa Fe, New Mexico
The 2014 NASACT Annual Conference will be held August 9-13, 2014, in Santa Fe, New Mexico. The Eldorado Hotel has been selected as the conference hotel. The Eldorado is located just off the historic plaza, in the heart of Santa Fe.

NSAA IT Conference and Workshop – September 30 - October 3, 2014, Grand Rapids, Michigan
We round out the year with the 2014 NSAA IT Conference and Workshop. The NSAA IT conference will be held October 1-3, 2014, with the workshop scheduled for September 30. The Amway Grand Plaza Hotel, this year’s conference hotel, is located in the heart of Grand Rapids and within walking distance of shopping, restaurants and museums.

More information about each of these conferences will be posted to NASACT’s website as it becomes available. Questions about any of the conferences may be directed to Donna Maloy at dmaloy@nasact.org or (859) 276-1147.
NSAA IT Workshop and Conference Recap

Left to right: Beth Wood (NC), state auditor and conference host; Chloe Haidet (GA), chair of the E-Government Committee; and Holli Harrison (NC).

Luis Toledo (NC) offered a presentation on “Systems Implementation Project Management.”

A panel of CIOs from the state of North Carolina discussed “Challenges and Innovative Solutions in State Government IT.”

Holli Harrison (NC) moderated the IT Roundtable session at the conference.

Melissa Schuiling (MI) invited everyone to attend the 2014 IT Workshop and Conference next year in Grand Rapids.

Left to right: Matt Robinette (VA) and Chuck Ross (VA) discussed “Linking IT Audit Risks to Financial Statement Risks.”