NASACT MEMBERS TRAVEL TO SANTA FE FOR 99th ANNUAL CONFERENCE:
THE CLOUD, ECONOMY & HR ISSUES TOP AGENDA

BY GLENGA JOHNSON, COMMUNICATIONS MANAGER

NASACT President James B. Lewis, state treasurer of New Mexico, recently welcomed members, corporate partners and guests to Santa Fe for NASACT’s ninety-ninth annual conference. The conference was held August 9-13 at the Eldorado Hotel. Attendees were also welcomed during opening ceremonies by New Mexico co-hosts Hector Balderas, state auditor, and Ricky Bejarano, state comptroller.

The conference began with a number of meetings and networking opportunities. On Saturday, August 9, several attendees participated in the annual golf scramble, which was held at the Club at Las Campanas. On Saturday evening, attendees were treated to refreshments at a hospitality open house. The annual 5K fun run/walk was held Sunday, August 10, where over 85 participants enjoyed a beautiful morning walking or running through historic Santa Fe. 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 historic La Fonda on the Plaza.

The conference featured six general sessions (including two emerging issues roundtables) and 18 concurrent sessions covering a wide range of topics. PowerPoint presentations from the sessions can be found at www.nasact.org/2014_nasact_downloads. A complete list of the sessions and speakers can be found on page 3.

At lunch on Monday, August 11, President Lewis announced the 2014 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:

- **Rebecca Otto**, state auditor of Minnesota, who was recognized for her leadership as president of the National State Auditors Association in 2013-14 and also her active service on committees of NASACT and NSAA.
- **Calvin McKelvogue**, chief operating officer of the Iowa State Accounting Enterprise, who was recognized for his loyal and stalwart support of the association and his active participation in various initiatives over the years.
- **Steve McCoy**, state treasurer of Georgia, who was recognized for his leadership before the U.S. Securities and Exchange Commission to represent state and local interests on money market mutual fund reform.

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**NASACT RECEIVES A SANTA FE WELCOME!**

Left to right: President James B. Lewis and his co-hosts, Hector Balderas and Ricky Bejarano welcomed attendees during the opening ceremonies of the conference. Over 380 attendees and guests participated in NASACT’s 99th annual conference.
President Lewis also presented a Distinguished Service Award to Relmond P. Van Daniker. The award was given to recognize his long and successful career in the government management and accountability field. Mr. Van Daniker will soon be retiring from his position as executive director of the Association of Government Accountants. He previously served as executive director of NASACT, was a professor of accounting for 30 years at the University of Kentucky, is a frequent contributor to professional journals and books, and has a long list of other accomplishments and awards.

Also on Monday, breakout sessions were held to allow the National Association of State Comptrollers and NSAA to conduct brief business meetings. NASACT’s treasurer members also met that afternoon to discuss emerging issues. Recaps from the NSAA and NASC meetings will appear in the September issue of NASACT News. Attendees ended Monday with dinner at the historic Palace of the Governors, the nation’s oldest capitol building.

On Tuesday, in addition to the general and concurrent sessions, NASACT held its annual business meeting. For a recap of highlights from the business meeting, see page 8.

As in past years, Tuesday night at the conference featured the State Night Dinner, which took shape as an informal fiesta. 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 William G. Holland, NASACT’s new president and auditor general of Illinois, to the 2015 NASACT Annual Conference, which will be held in Chicago next summer. The 2015 conference will be NASACT’s 100th anniversary conference.

NASACT acknowledges with great appreciation the many people who helped make this conference such a success. Very special thanks go to James Lewis, who served as the lead host, and his staff. Special thanks go to Marilyn Hill, 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 New Mexico co-hosts, Auditor Balderas and Comptroller Bejarano.

NASACT acknowledges with appreciation all the speakers and moderators who helped continue the association’s tradition of program excellence.

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 16 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.

NASACT members or their designees are eligible to receive up to $2,000 in travel assistance to cover costs for the conference. The travel assistance reimbursement can be found at www.nasact.org/2014_nasact_downloads.

INTERESTED IN JOINING A COMMITTEE?

New NASACT President William G. Holland will be working in the next few weeks to establish NASACT’s 2014-15 committees. If you have not already indicated your interest and wish to serve on one of the committees listed below, email Glenda Johnson at gjohnson@nasact.org (committees are only open to NASACT members and members’ staff).

- Committee on Accounting, Reporting and Auditing (CARA)
- Financial Management and Intergovernmental Affairs Committee (FMIAC)
- Membership Development Committee
- Pension Standards Implementation Work Group
- Training and Professional Development Committee
The sessions presented during the 2014 annual conference are listed below. To download handouts, PowerPoint presentations and speaker biographies, visit www.nasact.org/2014_nasact_downloads.

**GS#1. UNDERSTANDING THE WORLD’S LARGEST ECONOMY AND TOMORROW’S NEW FUTURE**
Dr. Lowell Catlett, Dean, Agricultural, Consumer, and Environmental Sciences College, New Mexico State University

**CS#1. MANAGING WITH TECHNOLOGY: WHAT’S AHEAD ON THE ROAD TO HIGH-PERFORMANCE GOVERNMENT**
Brandy Manek, Director of Budget Policy and Legislative Services (OK)
Glenn Roth, Specialist Leader, Public Sector, Deloitte Consulting
Alan Skelton, State Accounting Officer, State Accounting Office (GA)
Bob Sabo, Executive Director, Public Sector Solutions, Oracle

**CS#2. TRENDS IN IT AND E-GOVERNMENT**
Tim Blevins, Executive Consultant, State and Local Solutions, CGI
Ross Taylor, Secretary, Cabinet for the Department of Administration (WV)

**CS#3. IMPLEMENTING AND AUDITING GASB’S NEW PENSION STANDARDS**
Michael de Leon, Specialist Leader, Deloitte Consulting
Kim Kellersberger, Finance Director, Utah Retirement Systems

**CS#4. EMERGENCY MANAGEMENT: THE CRITICAL ROLE OF BENEFIT CARDS**
Eric Epley, Executive Director, Southwest Texas Regional Advisory Council for Trauma
Greg Hamilton, Vice President, Public Sector Business Leader, MasterCard
T. Jack Williams, President, Paymentcard Services, Inc.

**CS#5. OPTIMIZING WORKFORCE MANAGEMENT STRATEGIES WITH CLOUD SOLUTIONS: PREPARING FOR THE FUTURE**
Sherry Amos, Managing Director, Education and Government, Workday
Joseph Morris, Director of Market Intelligence, e.Republic

**CS#6. PUBLIC PENSIONS: CURRENT ISSUES AND DEVELOPMENTS**
Keith Brainard, Research Director, National Association of State Retirement Administrators
Charles E.F. Millard, Managing Director, Head of Pension Relations, Citigroup

**CS#7. THE CLOUD FOR GOVERNMENT: USING IT EFFECTIVELY WHILE MAINTAINING PROPER INTERNAL CONTROLS**
Michele Hovet, Industry Advisor, State and Local Government, SAP Public Services, Inc.

**CS#8. USING BENCHMARK DATA FOR CHANGE IN POLICY DECISIONS**
Michael Jordan, Chief Operating Officer (OR)
Patty Miller, Senior Director, The Hackett Group

**CS#9. GOVERNMENTS ADOPTING A CUSTOMER-CENTRIC APPROACH: A GLOBAL PERSPECTIVE**
James Hunter, Senior Partner, KPMG Australia

**GS#2. EMERGING ISSUES ROUNDTABLE I**
Moderator: William G. Holland, Auditor General (IL)

**CS#10. MONITORING THE FISCAL STRESS LEVELS OF LOCAL GOVERNMENTS**
Nathalie Corey, Assistant Comptroller, Division of Local Government (NY)

**CS#11. GASB: A LOOK BACK, A LOOK FORWARD**
David Vaudt, Chair, Governmental Accounting Standards Board
David Bean, Director of Research, Governmental Accounting Standards Board

**CS#12. ENTERPRISE RISK MANAGEMENT: FROM RELUCTANCE TO RESILIENCE**
Bill Brown, Principal, BerryDunn
Jim Kreiser, Principal, Business Risk Services, CliftonLarsonAllen

**CS#13. IMPROVING ACCOUNTABILITY AND TRANSPARENCY THROUGH THE DATA ACT AND OMB’S UNIFORM GUIDANCE FOR FEDERAL AWARDS**
Eric Berman, Partner, Eide Bailly LLP
Lealan Miller, Partner, Eide Bailly LLP
Gila Bronner, President and CEO, Bronner Group

**CS#14. “MONEYBALL” UNDER THE DOME: MAKING ANALYTICS A MATTER OF POLICY**
Martin J. Benison, Comptroller of the Commonwealth (MA)
Mark Howard, Senior Manager, Accenture
John C. Reidhead, Director, Division of Finance (UT)

**CS#15. ANALYTICS TOOLS: HOT ON THE TRAIL OF FRAUDSTERS AND CYBER CRIMINALS**
Steven Tessler, Cyber Engineer, Raytheon Cyber Products
Christopher Westphal, General Manager, Raytheon
CS#16. CHANGING THE HIRING PARADIGM: RETAINING AND MAINTAINING A SKILLED WORKFORCE
Rich Evans, Senior HR Business Partner and Director of Executive Staffing, Florida Blue
Kurt A. Steward, Ph.D., Executive Director, Infor, and former Budget Officer, City of Dallas (TX)

CS#17. GAO’S GREEN BOOK: FINAL RELEASE AND ONE STATE’S PLANNED ADOPTION
Cecile M. Ferkul, Deputy Legislative Auditor (MN)
Jeanine Kuwik, Director, Internal Control and Accountability, Office of Management and Budget (MN)

CS#18. CREDIT CARD FRAUD: TRENDS AND PREVENTION/DETECTION TECHNIQUES
Orson Morgan, Senior Account Executive, Public Sector and Higher Education, Visa, Inc.
Kevin Perry, IT Manager, Alcoholic Beverage Control (UT)

GS#4. DOES ECONOMIC DEVELOPMENT NEED A NEW BUSINESS MODEL?
Mark Lautman, Economic Architect, Lautman Economic Architecture LLC

GS#5. ECONOMIC REPORT FOR THE STATES
Scott D. Pattison, Executive Director, National Association of State Budget Officers
Stanley Czerwinski, Chief Administrative Officer and Chief Financial Officer, National Governors Association
John Sugden, Senior Director – Analytical Manager, U.S. State Ratings Group, Standard & Poor’s

GS#6. EMERGING ISSUES ROUNDTABLE II
William G. Holland, Auditor General (IL)
William G. Holland, auditor general of Illinois, moderated two emerging issues roundtables, one on Monday afternoon and one on Wednesday morning. The sessions utilized polling technology to gather real-time feedback from those participating.

Left: Teresa MacCarthy accepted a President’s Award on behalf of Georgia State Treasurer Steve McCoy (who was not able to attend the conference).

Right: Stacey Pickering, state auditor of Mississippi (standing), offered comments during one of the emerging issues roundtable sessions.

Left: Kim Kellersberger (at podium), finance director of the Utah Retirement Systems, discussed implementation of GASB’s new pension standards.

Right: Nathalie Carey, assistant comptroller with New York’s Division of Local Government, described New York’s Fiscal Stress Monitoring System during a concurrent session.
Martin J. Benison (far right), immediate past president and chair of the Nominating Committee, administered the oath of office to the new Executive Committee officers during the business meeting. From left to right: Calvin McKelvogue (IA), D. Clark Partridge (AZ), Richard K. Ellis (UT), Debra K. Davenport (AZ) and William G. Holland (IL).

Left: Suzanne Bump, auditor of the commonwealth (MA), shared comments during a roundtable session.

Right: Cecile Ferkul (MN), Debbie Davenport (AZ), James Dalkin (GAO) and Jeanine Kuwik (MN) discussed internal controls, including the forthcoming Green Book and Minnesota’s plans to shift from COSO to the Green Book.

Left: James B. Lewis was presented with a plaque of appreciation for his service as president in 2013-14 by incoming president William G. Holland.

Right: The Illinois delegation near a display promoting NASACT 2015, which will be the association’s 100th anniversary conference and which will be held in Chicago next August 22-26.
**NEWS FROM WASHINGTON**

**GAO: OVERSIGHT NEEDED TO ADDRESS UNDER-REPORTING AND INCONSISTENCIES ON USASPENDING.GOV**

The U.S. Government Accountability Office has released a review of the Federal Funding Accountability and Transparency Act website, USASpending.gov. The website was created to increase transparency of the more than $1 trillion spent by the federal government on awards by providing the public with the ability to track where and how federal funds are spent. In the report, GAO set out to determine the extent to which agencies report required award data and that the data on the website is consistent with agency records. GAO found that: “Few awards on the website contained information that was fully consistent with agency records.” GAO noted that transparency of federal spending will continue to be in question until the matter of data accuracy is addressed:

“While [the Office of Management and Budget] placed responsibilities on agencies to ensure their reported information is accurate and substantiated by supporting documentation, this approach has had limited effect on the overall quality of the data on the website, reinforcing the need for a more comprehensive oversight process by OMB and more specific guidance from OMB on how agencies are to validate information reported to USASpending.gov. Until these weaknesses are addressed, any effort to use the data will be hampered by uncertainties about accuracy.”

To improve the reliability of information on the USASpending.gov website, GAO recommended the following:

- OMB, in collaboration with Treasury’s Fiscal Service, should clarify guidance on agency responsibilities for:
  1. Reporting awards funded by non-annual appropriations.
  2. The applicability of USASpending.gov reporting requirements to non-classified awards associated with intelligence operations.
  3. The requirement that award titles describe the award’s purpose.
  4. Ensuring that agency maintenance of authoritative records is adequate to verify the accuracy of required data reported for use by USASpending.gov

- To improve the completeness and accuracy of data submissions to the USASpending.gov website, OMB and Treasury’s Fiscal Service should develop and implement a government-wide oversight process to regularly assess the consistency of information reported by federal agencies to the website other than the award amount

The full report can be found at www.gao.gov/assets/670/664536.pdf.

**IS YOUR STATE HEADED IN THE RIGHT DIRECTION? LET OUR BENCHMARKING PROGRAM HELP YOU FIND OUT!**

Through the program, states can compare themselves to other states and to the private sector. The program also allows comparisons of agencies within the state to each other and to agencies within other states. Additional executive advisory services are also available through the program.

To find out more, email Kim O’Ryan at koryan@nasact.org.

18 states have participated in the program. Join them to find out how your state measures up in the following functional areas:

- Financial management
- Information technology
- Human resources/payroll
- Procurement
ASSOCIATION NOTES

NASACT BUSINESS MEETING HIGHLIGHTS
BY GLENTA JOHNSON, COMMUNICATIONS MANAGER

On August 12, NASACT held its annual business meeting in Santa Fe in conjunction with the 2015 NASACT Annual Conference. President James B. Lewis, state treasurer of New Mexico, presided.

COMMITTEE REPORTS

Committee on Accounting, Reporting and Auditing (CARA)

Alan Skelton, state accounting officer in Georgia and co-chair, provided the report. The CARA met on Sunday, August 10, and met via conference call on June 3. He reported the following:

- The Governmental Accounting Standards Board has several exposure drafts out for comment and several more anticipated in the near future.
- The GASB Implementation Guide is currently out for comment. He reminded everyone to be aware of the fast-approaching comment deadlines.
- Major topics the committee is monitoring include GASB’s projects on fiduciary responsibility, leases and tax abatement disclosures.
- The committee will be closely monitoring GASB’s response to recent decisions by the U.S. Securities and Exchange Commission and will be seeking to develop a unified position regarding the need for a stable NAV, or net asset value, for investments made in local government investment pools.

Pension Work Groups

Greg Griffin, state auditor of Georgia and chair of the Pension Standards Implementation Work Group (a sub-group of the CARA), said that the work group conducted a survey to examine which disclosures states are including in their year-end CAFRs. Eighteen states have responded. He encouraged others to provide input. The results will be discussed at the group’s next conference call on September 4.

Gerry Boaz, chair of National State Auditors Association’s Pension Audit Issues Work Group, reported that the group enjoys participation by 38 states. The group is discussing the audit-specific issues related to GASB’s new pension standards. Conversation lately has been dominated by discussing census data, since demographics are driving the overall liability. The group will soon be hearing from several members of the American Institute of Certified Public Accountants’ Employee Benefit Plan Expert Panel who will discuss employee-based ERISA plans. The next regular call of the group is scheduled for September 11.

Financial Management and Intergovernmental Affairs Committee (FMIAC)

David Lillard, state treasurer of Tennessee and chair, reported on issues the committee is monitoring.

- The Treasury Department has established a new office of State and Local Finance. NASACT staff have met with the office head, Kent Hiteshew, and will continue to seek engagement.
- NASACT has been working with the Treasury Department to offer input as the Digital Accountability and Transparency Act is implemented and regulations are developed.
- Mr. Lillard re-emphasized the importance of NASACT members and the state treasurers working together to develop a unified position related to the 2a7-like issue and stable net asset values for LGIPs.
- Legislation has been introduced in the House that would amend Section 529 of the Internal Revenue Code to encourage savings for the needs of individuals with a disability, whether or not those needs include savings for higher education. If this legislation moves forward, it could result in significant changes.
- Staff are anticipating a continuing resolution on the federal budget and will keep members apprised.
- Regarding changes to the single audit process, NASACT had hoped to work with the Office of Management and Budget to eliminate several of the current 14 compliance requirements. To date, one requirement has been eliminated. Staff will continue to work with OMB and keep members informed.

Interim Disclosures Implementation Work Group

Mr. Skelton, co-chair, reported that several states are currently working actively to implement NASACT’s ten best practices on interim disclosure. Between 10 and 15 states should have at least some of the disclosures implemented by this fall. The group will then examine the results of this initial effort and make recommendations on how all states can proceed to implement the best practices.

Continued next page
Membership Committee
Anna Maria Kiehl, state comptroller of Pennsylvania and chair, reported that NASACT had four new state auditors, six new state comptrollers and three new state treasurers in FY 2014. Two new members, Paul Joyce, chief examiner in Indiana, and Pamela Leary, state treasurer in Alaska, were in attendance at the conference. At the Executive Committee meeting on August 10, the committee approved one new lifetime member: Thomas H. McTavish, former auditor general of Michigan.

Audit Committee
Kinney Poynter, executive director, reported on behalf of Pola Buckley, state auditor of Maine and chair. NASACT’s annual audit is scheduled for the week of August 25. Per the bylaws, an audit report must be presented to the Executive Committee no later than October 15.

Budget Committee
Debbie Davenport, auditor general of Arizona and treasurer, gave the report. She said that NASACT is in very strong financial condition, anticipating an increase of $109,000 in net assets for FY 2014. Although FY 2015 just began, the two major sources of revenue, dues and the annual conference, seem on track to meet or exceed budget.

Resolutions Committee
Roger Norman, legislative auditor of Arkansas and chair, put forth a motion to approve two resolutions:
1. Recognizing and thanking James B. Lewis for his year of leadership as NASACT’s president.
2. Recognizing and thanking the New Mexico hosts for an outstanding annual conference in Santa Fe.

The motion was seconded and approved unanimously.

Strategic Planning Committee
William G. Holland, auditor general of Illinois and chair, reported. Last March, the Executive Committee approved a new logo. Staff have moved forward with implementing the new logo and branding.

The committee proposed to the Executive Committee the production of a commemorative book for NASACT’s 100th anniversary. Staff will work with the 2015 conference host to develop and produce a commemorative book.

At the committee’s recommendation, the Executive Committee is currently reviewing whether to continue the annual golf tournament held in conjunction with the annual conference. Staff is working to gather some data on participation trends and costs for review. A decision will be made soon.

Time and Place Committee
Calvin McKelvogue, chief operating officer of the Iowa State Accounting Enterprise and chair, reported. The 2015 annual conference, which will be NASACT’s 100th anniversary conference, will be held in Chicago, Illinois, on August 22-26. The 2016 conference will be held in Indianapolis, Indiana, August 13-17. Richard Ellis, state treasurer of Utah, will be president at the time of the 2017 conference and will have the right of first refusal to host.

Nominating Committee
Martin Benison, comptroller of Massachusetts and chair, put forth the following slate of Executive Committee officers for approval for FY 2015:

- **President**: William G. Holland, auditor general, Illinois
- **First Vice President**: Calvin McKelvogue, chief operating officer of the Iowa State Accounting Enterprise
- **Second Vice President**: Richard K. Ellis, state treasurer, Utah
- **Secretary**: Debra K. Davenport, auditor general, Arizona
- **Treasurer**: D. Clark Partridge, state comptroller, Arizona

The motion was seconded and approved unanimously.

The 2015 committee will also include Immediate Past President James B. Lewis as well as three representatives each from the three constituency groups:

- **Auditors**: Roger Norman (Arkansas), David W. Martin (Florida) and Paul Townsend (Nevada)
- **Comptrollers**: David A. Von Moll (Virginia), John C. Reidhead (Utah) and Anna Maria Kiehl (Pennsylvania)
- **Treasurers**: David H. Lillard, Jr. (Tennessee), Beth Pearce (Vermont) and Manju Ganeriwala (Virginia)

Mr. Benison administered the oath of office to the incoming officers.

Next Meeting / More Information
The next NASACT business meeting will be held at the 2015 NASACT Annual Conference on August 25 in Chicago.

Questions about the content of this article may be directed to Glenda Johnson at gjohnson@nasact.org. Members may view minutes from past business meetings at www.nasact.org/business.
ASSOCIATION NOTES

REGISTER NOW FOR NASACT’S NEXT WEBINAR!

NASACT is pleased to announce its next webinar scheduled for Wednesday, August 27: “Basic Accounting and Financial Audit Concepts for Non-Accounting Majors.”

This webinar will address basic accounting and financial audit concepts for auditors who are not accounting majors. Specifically, the webinar will provide a basic understanding of key accounting concepts to aid in the execution of audit/audit objectives.

Topics covered will include a basic overview of accounting terms and financial statements, along with examples of common situations where this knowledge can be useful when conducting an audit or review.

If you have non-accounting majors on your staff, this webinar is for you!

Join Nicholas Kolitsos, CPA, senior auditor, California State Auditor’s Office, for this informative two-hour training session.

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

COST
The cost to attend is $50 per person or $299 for a group (unlimited attendance).

AUGUST 27 - WEBINAR
Basic Accounting & Financial Audit Concepts for Non-Accounting Majors

CPE: 2 CREDITS  TIME: 2:00 - 3:50 P.M. EASTERN TIME
COST: $299.00 PER GROUP (UNLIMITED ATTENDANCE) OR $50 PER PERSON
IT’S NOT TOO LATE TO REGISTER AT www.nasact.org!

REGISTER NOW FOR NSAA’S IT WORKSHOP & CONFERENCE!

BY DONNA MALOY, CONFERENCE MANAGER

The 2014 IT Workshop and Conference is scheduled for September 30 through October 3, in Grand Rapids, Michigan. The workshop, which will focus on cybersecurity, will be held on Tuesday, September 30. The conference will follow on Wednesday, October 1 through noon on Friday, October 3. Conference topics will include planning the scope of your IT audit; obtaining, storing and using confidential data; auditing BYOD mobile devices; risk and compliance considerations in the cloud; and much more.

Getting There – The Amway Grand Plaza Hotel is located 14 miles from the Gerald R. Ford International Airport. Taxi service to or from the airport costs approximately $30-$35 each way.

Registration Fees – Registration fees are $150 for the workshop and $395 for the conference per attendee.

Technical Agendas and CPE – Agendas for both the conference and workshop are available at www.nasact.org/it. Up to 19 hours of CPE will be offered for the conference and up to 8 hours for the workshop.

Additional Information – Complete hotel information and online registration are available on NASACT’s website at www.nasact.org/it.

Questions about the conference program may be addressed to Sherri Rowland at srowland@nasact.org. Questions about registration may be addressed to Donna Maloy at dmaloy@nasact.org.

CONFERENCE HOTEL – The conference will be held at the Amway Grand Plaza Hotel. Unfortunately, NSAA’s block of rooms at the hotel has sold out. Overflow rooms are available at the Holiday Inn located a short walk from the Amway Grand. The rate at the Holiday Inn is $139 per night. To reserve rooms, call (616) 235-7611 and ask for the National State Auditors Association IT conference rate. The deadline for these rooms is September 16; however, rooms may sell out quickly, so reserve as early as possible.
ASSOCIATION NOTES

WHAT’S NEW AT www.nasact.org?
The following new items have been posted on NASACT’s website:

- The following technical inquiries from state comptrollers (members only content):
  - Policy for Hosting Potential Business Prospects
  - Converting to Single Statewide EIN
- NASACT’s response letter to the GASB ED on Fair Value Measurement and Application.

2014 COMPTROLLER’S BOOK: NOW AVAILABLE
The 2014 edition of State Comptrollers: Technical Activities and Functions is now available at www.nasact.org/pubs. The data book is available free for members (must be logged in to view the file). Others wishing to purchase a copy should call Pat Hackney at (859) 276-1147.

STATE COMPTROLLERS: IS AN INFO SHARING GROUP ON ELECTRONIC PAYMENT METHODS NEEDED?
NASC is currently seeking to determine the amount of interest in forming an information sharing group to discuss and share best practices as states try to increase the use of electronic payment methodologies.

To keep the group from being too narrowly focused, it could also address issues related to vendor data standardization (i.e., in the procure-to-pay business process), EDI enrollment, W-9 acquisition, TIN validation, 1099 reporting, and financial sanctions/improper payments.

Those with interest in participating in a group of this nature should email Kim O’Ryan at koryan@nasact.org or call her at (859) 276-1147.

NASACT SEEKS INPUT ON GASB EDs
NASACT is seeking input from members on the following GASB exposure drafts:

- The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments
  Response due to NASACT: Friday, October 17
- Implementation Guide No. 20XX-1
  Response due to NASACT: Friday, October 17

Questions and comments about the EDs or NASACT’s responses may be directed to Sherri Rowland (srowland@nasact.org) or Kim O’Ryan (koryan@nasact.org).

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UPCOMING INFORMATION SHARING CALLS

**AUGUST**
- NASC Travel and P-Card Information Sharing – August 27

**SEPTEMBER**
- NASACT Pension Standards Implementation Work Group – September 4

**OCTOBER**
- NSAA HR Info Sharing – October 29

GET INVOLVED!
For information on participating in any of these calls, contact NASACT’s headquarters office at (859) 276-1147.
While effective ERP systems are needed to manage the business of government, many systems in place today do not have the deployment versatility to deliver adequate functionality on an ongoing basis. Growing numbers of state and local governments are turning to secure, cloud-enabled services for ERP software, platforms and infrastructure so they can deliver more services and spend less time managing technology. For example, Maine’s move to cloud-enabled ERP has allowed the state to reallocate staff to focus on strengthening policy management as well as internal and fiscal controls on a statewide basis. ¹

The next wave of the ERP deployment evolution must allow governments to choose where and how each function is best delivered — whether with the government or a managed services partner. It must also provide a tightly integrated approach to the software and all services required for implementation, operation, hosting and management. Without clear lines of accountability, solutions too easily are derailed.

CGI believes that a versatile and integrated deployment ecosystem is required to meet the future needs of public sector ERP.

Based on trends and more than 38 years of experience in public sector ERP, the next wave in this evolution is the Agile Cloud-Enabled Services (ACES) ecosystem. This integrated ecosystem features flexible use of three delivery models:

- **Government-owned private cloud**, where the government provides the infrastructure on which the software provider deploys and manages the solution.

- **Community cloud**, where the software provider owns, operates and maintains the entire infrastructure and application “stack,” including the operating system and database, and is responsible for security, disaster recovery and backups.

- **Software as a Service (SaaS)**, where the software provider owns, operates and maintains the entire infrastructure and application “stack” as in the community cloud, but deploys and manages a single instance of the software across multiple clients.

The compelling value of this ecosystem is the ability of government to choose among and move between these models, without having to make a singular decision for all ERP functions in the system. In other words, government will require the ability to deploy any ERP function in any of the three models, even when a function is part of an integrated solution suite.

Choosing a deployment model in the ACES ecosystem will be influenced by governments’ varying desires to:

- Customize the software.
- Control the software lifecycle and upgrade schedule.
- Reduce costs (spend declines as the standardization exercised by the provider increases).
- Limit risk by having a means to revert to in-house deployment in the future.

**ONE SIZE DOES NOT FIT ALL**

While the traditional ERP software licensing and maintenance model is declining, it will continue to exist for some time for larger governments with continued needs for customization and control.

A government could decide to run more agency-specific functions such as financial or human resources management on a community cloud-based platform, but choose the SaaS model for a highly standardized function such as talent management.

Some governments also may have reasons to operate their own private clouds and choose to host some ERP functions in those clouds to leverage their investments, but increasingly the solution is managed by an outside provider.

**THE INTEGRATED SOLUTION IMPERATIVE**

Whatever the deployment model, the ERP solution must be tightly integrated across the software, implementation, operations, and hosting. Traditional ERP implementations often have several third-party providers performing various roles. Multiple handoffs and lack of role clarity can cause lapses in communication, resulting in higher project costs, schedule delays and issues with quality.

Achieving a seamless offering requires a cohesive vision spanning all areas of responsibility, and is only truly possible when driven by a single solution provider. In fact, the ability for a solution provider to offer multiple ERP deployment models requires that the software be designed at its core with all of these models in mind.

Organizations attempting to “layer” custom integration and technology on top of an ERP solution they do not control will fall short.

**CONCLUSION**

Traditional ERP deployment models are giving way to more efficient, managed services that are supported by cloud-enabled technology. A one-size-fits-all approach is a thing of the past. ERP software and delivery strategies must converge to address the growing demand for flexible deployment options by function, even when part of an integrated ERP suite. CGI believes the time is right for an Agile Cloud-Enabled Services ecosystem that gives government the versatility to balance control, customization and cost when deploying modern ERP functions, without locking them into a single deployment model for the entire ERP system.

**About the Authors:** Daniel Keene is Senior Vice President for the CGI Advantage™ ERP Program, and Larry Honarvar is Vice President, Managed Services, at CGI.

² “Public Sector Cloud Computing: the Good, the Bad and the Ugly,” Computerworld, May 9, 2012
ASSOCIATION NOTES

NASACT WELCOMES NEW EXECUTIVE COMMITTEE MEMBERS

NASACT’s Executive Committee is made up of officers elected by the membership, as well as three representatives from each constituency group—auditors, comptrollers and treasurers.

The auditor representatives are the president, vice president and secretary/treasurer of the National State Auditors Association.

The comptroller representatives are the president, vice president and secretary/treasurer of the National Association of State Comptrollers.

The treasurer representatives are named by the National Association of State Treasurers.

NEW COMMITTEE MEMBERS

Several new members joined the Executive Committee following the NASACT business meeting held on August 12 in Santa Fe.

D. Clark Partridge, state comptroller of Arizona, is the newest officer, serving as treasurer of the Executive Committee. He has been with the state of Arizona for over 23 years. He is a past president of NASC. He is a member of various national organizations. Mr. Partridge has a bachelor of science degree in accounting from Brigham Young University. He is a certified public accountant and a certified government financial manager. He has received the NASACT President’s Award, the NASACT Special Recognition Award and the NASC President’s Award.

Paul Townsend, legislative auditor of Nevada and secretary treasurer of NSAA, is the newest auditor representative on the committee. He has been with the Legislative Counsel Bureau’s Audit Division for 25 years, and has served as the legislative auditor since 2001. He is a graduate of the University of Nevada, Reno, with a major in accounting, and is a certified public accountant and a certified internal auditor. Mr. Townsend has been a member of NSAA for over ten years, and currently serves on the Performance Audit, E-Government, and Excellence in Accountability Awards committees.

Anna Maria Kiehl, secretary/treasurer of NASC, is the newest comptroller representative on the committee. She is the state comptroller and chief accounting officer of Pennsylvania. Ms. Kiehl is a certified public accountant with 34 years of financial management experience. She has served in many leadership roles throughout the Governor’s Executive Offices and leads many innovation initiatives. She is a member of various NASC committees and subcommittees and is chair of NASACT’s Membership Committee. She is a recipient of the NASC President’s Award. She holds a B.S. degree in business administration from the Pennsylvania State University.

ROLLING OFF THE COMMITTEE

Rolling off the committee were Martin J. Benison, comptroller of Massachusetts, Rebecca Otto, state auditor of Minnesota, and Kim R. Wallin, state controller of Nevada.

MORE INFORMATION

The complete committee roster is available at www.nasact.org/executive.

The Executive Committee is scheduled to hold its next in-person meeting on March 10 in Richmond Virginia in conjunction with the 2015 NASC Annual Conference.

DID YOU KNOW? – Rosters, minutes and resources for all the committees of NASACT, the National State Auditors Association and the National Association of State Comptrollers are available to members at www.nasact.org. You must be logged in to access this information. If you experience any difficulty logging into the site, call (859) 276-1147.
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CALENDAR

2014

August 27 | Webinar: Basic Accounting and Financial Audit Concepts for Non-Accounting Majors, 2:00 - 3:50 p.m. Eastern Time

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

2015

March 10 | NASACT Executive Committee Meeting, Richmond, VA

March 11-13 | NASC Annual Conference, Richmond, VA

April 14-16 | NASACT Middle Management Conference, Raleigh, NC

June 9-12 | NSAA Annual Conference, Little Rock, AR

August 23 | NASACT Executive Committee Meeting, Chicago, IL

August 22-26 | NASACT Annual Conference, Chicago, IL

September 22-25 | NSAA IT Workshop & Conference, Hartford, CT

PREVIOUS NASACT WEBINARS AVAILABLE FREE TO MEMBERS

BY DONNA MALOY, CONFERENCE MANAGER

NASACT webinars held more than 180 days ago are now available free to members! To access the recordings, go to http://www.nasact.org/webinar_recordings. You must be logged in to NASACT’s website to view the free content.

TOPICS AVAILABLE

Some of the topics available include:

- Treasury Offset Program: How Federal and State Partnerships Can Cost Effectively Maximize Debt Recoveries
- The Pension Challenge: Critical Issues to Implementing the New GASB Pension Standards
- GASB Review 2013
- OMB Grant Reforms
- GASB’s Pension Accounting and Financial Reporting Standards: A Focus on Statement No. 68
- Group Audits: Case Studies
- Improving Statewide Reporting & Performance Data Analysis: Success Stories
- NSAA’s 2012 Excellence in Accountability Award Winners
- Clarifying the Clarity Standards: An Overview & Group Audits
- Workplace Ethics: Understanding Your Responsibilities

PLEASE NOTE: No CPE will be granted for listening to previously recorded webinars.

DO YOU HAVE A TOPIC IDEA FOR A WEBINAR?

Let us know about it! We’ll be working soon to develop the upcoming year of webinars: if you have a topic that would make a great webinar, email Kinney Poynter at kpoynter@nasact.org.
NASACT wishes to acknowledge the supporters of the 2014 NASACT Annual Conference. Thank you for your support!

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