



May 2006

Volume 28, Number 9

**President's Message,  
Dianne Mitchell McKay, CGFM, CPA**

I would like to extend my sincerest sympathy to those affected by the tornadoes on April 7. The devastation, loss of life, and injuries sustained were terrible—not to mention the anxiety of waiting to hear from family and friends. For many like me, it brought back memories of the April 1998 tornado that struck downtown Nashville.

It's hard to believe that my term as your president is nearing its end. Most likely, each past president has said that, but it is absolutely true. Planning, preparing for, and attending the chapter's busy calendar of events made time pass quickly.

The first week of April was an incredibly busy time—we held the CEC and business meetings the first week, sponsored our first career fair on April 3, and participated in the first Nashville/Davidson County mock disaster recovery on April 8.

The career fair was very successful. About two-thirds of the students who registered attended, representing several universities. The students spoke with potential employers from state, local, and federal governments. The employers were very happy with the resumes received that evening. I hope the Early Careers Committee will want to sponsor another fair next year and incorporate some ideas from this experience.

The AGA volunteers were really excited about participating in the mock disaster recovery. Unfortunately, Metro had to cancel the April 7 disaster recovery exercises to work a real disaster recovery. These exercises were to test medi-

cal and emergency personnel's response to various disasters, such as a chemical spill and a bomb blast in a large downtown office building. On April 8, only the "dispensing" sites were operational. These sites tested how well medical and emergency personnel would react in a medical-type disaster in which large numbers of citizens required examination.

The AGA members assigned to a dispensing site at Hillsboro High School were given identities and symptoms or conditions. It was fun because we had the opportunity to practice our acting skills. For example, Susan Irby's first role was an 80-year-old woman who was confused, didn't understand why she had to stand in line, and needed a wheelchair. Ann Collett enthusiastically played the role of an 11-year-old boy who had lost his mother. Ray Register and Glen McKay

*Continued on Page 2*

**CHAPTER MEETING**  
**Thursday, May 4, 2006**  
**11:30 a.m.**  
**Awards Ceremony**  
**Wildhorse Saloon**

**COST: \$10.00 per member**

Make your luncheon reservation online at <http://www.nashvilleaga.org>.

If necessary you may call  
**(615) 401-7843**  
**by 6:00 p.m. Monday,**  
**May 1, 2006**

**Chapter Recognition Points YTD**  
*(through April 7, 2006)*

Leadership	4,200
Education	11,175
Certification	6,750
Communication	8,871
Membership	1,325
Community Service	3,500
Awards	1,500
<b>Total Points YTD</b>	<b><u>37,321</u></b>
Chapter Goal	<u>10,000</u>

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**President's Message Continued**

portrayed women with various problems and I was a 39-year-old woman with symptoms that I turned into anthrax exposure. Most of us played more than one role during the morning. The mock exercise helped Metro identify weak areas in its disaster recovery and left me fervently hoping that none of us ever have to experience a real disaster.

Please don't forget that you have another opportunity to volunteer in the Country Music Marathon on April 29.

Our upcoming May meetings are likely to be the most fun for our members. Our chapter leadership and committee volunteers will enjoy a committee appreciation lunch at the Old Spaghetti Factory on May 1. The chapter awards meeting on May 4 is always exciting—waiting to see who will win awards for their efforts during the program year and who will win the PDC trip drawing. The new leadership team is also installed. We can only hope that we have as joyous a PDC drawing winner as Ann Collett was last year.

As I think about the events of the last year, I am deeply grateful for the leadership team—each chapter officer, committee chair, and co-chair—that I had the pleasure of working with. Each team member made a difference in how our chapter operated and in the events and incentives the chapter offered. I loved the way each unique member of our leadership worked together as a team for the good of our professional organization—it doesn't get any better than that.

I am very proud of our chapter's accomplishments this program year and I plan to publish our 2005/2006 Annual Report in the early part of the summer and hope you check it out on our website. See you at our May meeting.

"The achievements of an organization are the results of the combined effort of each individual"

Vince Lombardi



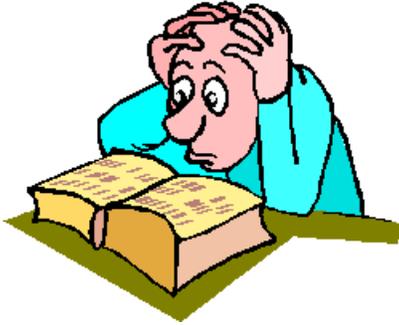
The Nashville Chapter of AGA would like to offer our congratulations and say thank you to our members who have retired from government service over the past year or will be retiring in the next few months.

**Herman G. (Jack) Henry** retired March 31, 2006 from the Defense Contract Audit Agency of the Federal Government. Mr. Henry served as a founding member of our Chapter.

**Charles K. Bridges** will retire May 31, 2006 from the Tennessee Office of the Comptroller of the Treasury. Mr.

Bridges was a founding member of our chapter and served as Chapter President in 1980-81 and has served for six years on the Chapter Executive Committee. He has served on the Membership, Newsletter, Awards and Bylaws and Procedures Committee over his 28 years as a chapter member. He also has served on the National level as a member of the Membership and Awards Committee.

Thank you for your contributions to the  
Nashville Chapter and enjoy your retirement!



## Take the CGFM Examinations at the PDC

For the second year in a row AGA is offering a great opportunity to take the CGFM Examinations and earn your CGFM at the annual Professional Development Conference & Exposition (PDC) in San Diego. Whether you've been thinking about earning your CGFM or have enrolled but found it difficult to find time to complete the three exams, this is your chance to get it done!

To help you reach that goal, we are offering a two-day Intensive Review Course on Thursday, June 15 and Friday, June 16 and an opportunity to take CGFM Examinations on June 17-19, 2006. The cost of the course is only \$225 for qualified participants, and it offers 18 CPE hours. Special Bonus: the CGFM Examinations taken during this event are free of charge!

This course is designed as a supplement to previous preparation for the CGFM Examinations, so this event is perfect for those individuals who have already attended CGFM training courses or have been studying by using the CGFM study guides. Space is still available, but enrollment is limited and participants must first apply and be accepted into the CGFM Program, so don't delay.

More information and a registration form for this event are available on AGA website - <[http://www.agacgfm.org/pdc2006/cgfm\\_exam.htm](http://www.agacgfm.org/pdc2006/cgfm_exam.htm)>. If you have any questions, contact Katya Silver at 703-684-6931 ext. 305 or [ksilver@agacgfm.org](mailto:ksilver@agacgfm.org).



## ONE CGFM Cram Session Left *Sign Up Now!*

**May 25, 2006 - Exam 1**

The AGA - CGFM committee is very excited to announce the cram review dates for all three parts of the CGFM exam. Please mark your spring calendar for the following dates.

You have shown an interest in passing the CGFM exam and now is your opportunity to attend a free cram review course and determine where your weakness may be prior to taking the exam. Approximately 4-6 weeks prior to each one of the review days there will be a lunch study group to go over the topics and share study techniques.

The committee recommends you study on your own or with a partner prior to the lunch study sessions. If you do not have a copy of the course material, you may check a book out from Gerry Boaz or Ron Queen at no charge. Then sign up to attend the lunch study sessions. The lunch study session will be designed to share study techniques and for each of you to ask questions about what you have been studying. As time allows the instructor will do directed study from the study manuals. You may register for the lunch sessions with Ron Queen (Chair of the CGFM committee). As a final study, sign up and attend the one day free cram review course.

If you have any questions, please contact a member of the CGFM committee:

Ron Queen   Gerry Boaz   Mary Ann Queen  
Tammy Fruscione   Rebecca Barr   Georganne Martin

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## News from National

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### Report: States Need Better Guidance on Improper Payments

Both states and federal agencies would benefit from enhanced guidance to reduce mistaken payments in federally funded, state-administered programs, government auditors said in a recent report. The Government Accountability Office report (GAO-06-347) on federal and state coordination in estimating erroneous payments also found that few agencies used incentives or penalties to prompt state cooperation in meeting reporting obligations under the 2002 Improper Payments Information Act. GAO auditors conducted a survey of state officials responsible for programs with large federal funding components, obtaining comments from more than 200 officials involved with 25 federal programs. Almost half of respondents indicated that greater guidance from the Office of Management and Budget and the federal agencies providing them with funding would be needed if they were to play a larger role in meeting Improper Payments Information Act obligations, and some said additional money would be necessary. —Jenny Mandel, *Government Executive*. [http://www.govexec.com/story\\_page.cfm?articleid=33857&dcn=e\\_gvet](http://www.govexec.com/story_page.cfm?articleid=33857&dcn=e_gvet)

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### Bill Would Require Reporting Unfunded Federal Liabilities

With state and local governments scrambling to meet the Government Accounting Standards Board's (GASB) amended rules for reporting on postretirement benefits, and private and public companies getting ready for compliance with the Financial Accounting Standards Board's (FASB) proposed statement on recording pension liabilities, a congressman from Indiana has introduced legislation that would require the federal government to meet a similar standard. The Truth in Accounting Act, sponsored by Rep. Chris Chocola (R-Ind) and co-sponsored by Reps. Jim Cooper (D-Tenn) and Mark Kirk (R – Ill), would require the federal government to accurately report the nation's unfunded long-term liabilities, including Social Security and Medicare, a debt that amounts to \$43 trillion dollars, during the next 75 years, Chocola says. —AccountingWeb.

<http://www.accountingweb.com/cgi-bin/item.cgi?id=102016&d=815&h=817&f=816&date%20format=%B%20%e,%20%Y>

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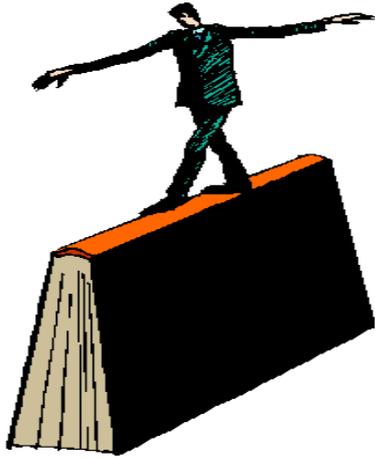
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### States Chart Their Own Foreign Policy

Maine may not have a seat at the United Nations, but its state lawmakers are dealing with Caracas, Havana and Khartoum as if those foreign capitals were nearby Boston. In the past few months, Maine Gov. John Baldacci (D) has engineered a controversial oil deal with Venezuela, met with maligned Cuban dictator Fidel Castro and supported an effort to divest state funds from Sudan to protest human rights violations there. States increasingly are becoming more assertive on the international stage. For example, more than 30 states now export goods to Cuba despite tight U.S. trade restrictions. Organizations in eight states brokered deals to import heating oil for the poor this winter from Venezuela, despite strained relations between the White House and Venezuelan President Hugo Chávez. Three states—Illinois, New Jersey and Oregon—passed laws to divest state funds from companies with interests in war-scarred Sudan. Foreign-policy experts warn that some state policies—such as friendly ties between state capitals and Venezuela and Cuba—could undermine federal power abroad. —Mark K. Matthews, *Stateline.org*.

<http://www.stateline.org/live/ViewPage.action?siteNodeId=136&languageId=1&contentId=103597>

# THE IMPORTANCE OF COMMUNICATION SKILLS IN AUDIT AND FINANCIAL REVIEWS



By: Melvin Jones, Jr., CGFM  
Director of Internal Audit  
Tennessee Department of Revenue



In today's world of Financial Integrity, Risk Assessment, Yellow Book, SAS 99 and all the other statements, laws, and standards our professions must follow, the importance of interpersonal, communication skills, what my grandmother called "knowing how to talk to people," is often forgotten

Auditors and financial professionals charged with implementing, reviewing, and/or managing operational and financial controls have a great responsibility. If they are unable to relate to and understand the information received directly from those they speak with, or if they cannot properly convey the information they receive from the staff or auditee, they will not be able to complete their assignment adequately. Additionally, you will not be assured you are obtaining the full context of the operations being evaluated.

At the January 2006 AGA Winter Seminar, Jim Wilson gave the attendees what he called his "Tool Box" for auditing for fraud, and though I am not focusing on fraud per se, three of the items he listed are relevant to this discussion. Wilson said that in performing the review:

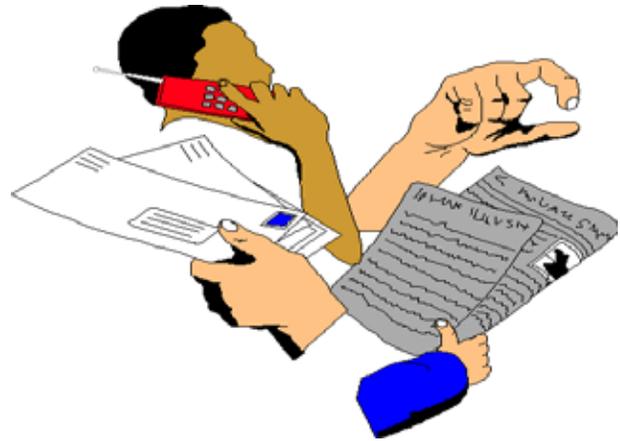
- When in your job and (when) invited into someone's office, listen carefully to what is being said
- Do not be afraid to consider what people tell you
- Listen to what people tell you

As Wilson stated, in an audit setting, we have to be willing to listen and to understand the information provided to us. This understanding must permeate all interactions between an auditor and auditee and the persons responsible for maintaining the entity's financial operation.

In completing an audit engagement you will conduct the review, make conclusions based on your test work, and report your findings to management and other interested parties. Through this entire process, there is one common denominator: PEOPLE! There are no two alike and there is no way to guess or predict how they will react to your presence in their department, division, or space. They may or may not accept you. They may feel you are disrupting their routine and that you are commenting on things you know nothing about. Some can be so nice you may wonder if they are trying to blind you with kindness.

Often, the knowledge gained sitting across a table talking face to face has been invaluable in evaluating the trust I can put in the information received or in the commitment of that individual to telling me all I need to know. One of the major lessons learned early in my audit career was not to be afraid of looking like I didn't know something and not being afraid to ask, when I didn't. Too often the exchanges between reviewers and audit clients is an exercise in one-upmanship, i.e.....I know as much as you. The result in situations like that can often be an air of mistrust.

I have believed for many years that the responsibility falls on us as the interloper and reviewer to establish a sound open communication line with all those in an organization that we come into contact with. This need not hinder the “professional skepticism” that all auditors should maintain. I started my audit career under the late Audit Director Frank Greathouse who once said, “Be friendly, but don’t make friends.” I think in the statement he is saying it all. It does not behoove us to come in cracking the whip and lording over people. We have to be able to have an amicable exchange to do the work we are charged to do, whether we are internal or external auditors.



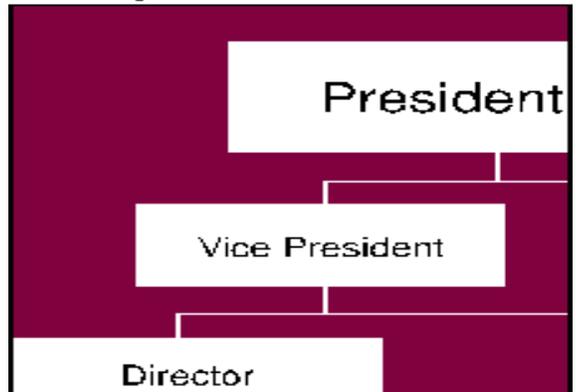
As the reviewers, we know more about the audit process and conduct of a review, but the auditee’s years of experience doing the job gives them a greater knowledge of their day to day operation. What we have to do is work to obtain as much of their knowledge as possible and to interject in them our expertise of overall operational theory and internal accounting and operational controls.



Auditors and reviewers are at a disadvantage at times. We are trying to assess an operation, its controls, and its commitment to the codes of conduct we apply in our reviews, and we may not, at the outset, have adequate knowledge of the process we are examining. Management, staff, and auditor must cooperate in the audit and review process. If we lose the trust of those we serve, we lose the advantage of full disclosure and problems could go undetected through the normal course of our test work.

People are the key to all we do. Sound, open lines of communication not only make the engagement more pleasant, it is essential to obtaining the most comprehensive and accurate picture of the entity or agency under review.

**Management**





# Country Music Marathon



It's time to organize volunteers for the 7<sup>th</sup> Annual Country Music Marathon & ½ Marathon. This year the marathon will be held on Saturday, April 29<sup>th</sup>. The runners will begin at West End Avenue near Centennial Park and wind in and out of downtown until they finish at the Coliseum. The race route will be lined with entertainers, marching bands, and local high school cheerleading squads.

Last year over 3,000 volunteers supported 16,000 runners. Volunteers receive a free T-shirt and ticket to the post-race concert at the GEC. This year the Nashville Sports Council is requesting volunteers during the Fitness Expo on the 26<sup>th</sup>, 27<sup>th</sup>, and 28<sup>th</sup>.

The Country Music Marathon and ½ Marathon benefits The Leukemia and Lymphoma Society through their Team In Training program. To date the Music City Marathon and ½ Marathon has netted millions of dollars for The Leukemia and Lymphoma Society.

For more information on volunteering please contact Jennifer McClendon at [jennifer.mcclendon@state.tn.us](mailto:jennifer.mcclendon@state.tn.us) or register to volunteer at <http://www.cmmarathon.com/volunteer.html> and then e-mail me to let me know you have volunteered.

# FINISH

## 3 Ways to Make a Luncheon Reservation

1. **Standing Reservation** (automatic reservation each month, will still need to cancel if unable to attend) To update or make a standing reservation or to see if you have a standing reservation, go to <http://www.nashvilleaga.org/reserv.html>

2. For **Reservation On-line** go to the Nashville Area Chapter website at <http://www.nashvilleaga.org/reserv.html>.

**PLEASE NOTE: Any on-line reservation made after the deadline, 6 pm the Monday before the meeting, will NOT be accepted.**

3. For **Reservation** or **Cancellations** by Phone or E-mail, contact Kevin Huffman at (615) 401-7843 or [Kevin.Huffman@state.tn.us](mailto:Kevin.Huffman@state.tn.us)

**Cancellations** – Made NO LATER than 6 pm on the Monday before the luncheon. A member may send someone in their place to the luncheon. If none of the above occurs, then the member must pay \$10.





## Want to Be More Involved? Want to Showcase Your Ideas and Talents? Join an AGA Committee TODAY!!!

Support your local AGA Chapter by volunteering to participate on one of our committees below. The purpose of each committee is presented for your information. Our committees are the backbone of our Chapter and are greatly responsible for the success we have achieved during our Chapter's history. Show your support by signing up today for the 2006-07 program year. We will be accepting volunteers throughout the year; however, please let Gerry Boaz know by the May 4, 2006, luncheon meeting which committee you would like to serve on. You are more than welcome to serve on multiple committees. We have exceptionally talented members in our Chapter. Put those skills to work for the benefit of all our members.

**Program:** Ensures that appropriate speakers are available at each business meeting and provides an opportunity for members to network at a social event.

**Education:** Provides professional training, education, and development opportunities that are relevant to the needs of the government professional community.

**Meetings & Attendance:** Coordinates all chapter meetings.

**Awards:** Acknowledges contributions made by members that enhance chapter activities and the government financial community.

**CGFM:** Increases the number of individuals who have successfully completed the CGFM examination.

**Membership:** Attracts and retains a diverse and growing membership.

**Finance:** Enables the chapter to meet its Internal Revenue Service reporting requirements; records its history; and provides consultation on financial issues.

**Early Careers:** Promotes early career membership and active participation in chapter activities.

**Community Service:** Promotes and conducts community service activities that enhance the Chapter and the AGA's image and reputation.

**Newsletter:** Communicates effectively with chapter members in an integrated and timely manner.

**Internet:** Communicates effectively with chapter members in an integrated and timely manner.

**Sponsoring a New Member.....\$0**  
**Attending an AGA Lunch.....\$10**

**Being a Full Member at Early  
 Careers Rates ..... Priceless**



**BECOME ACTIVE – EARN POINTS  
 AND**

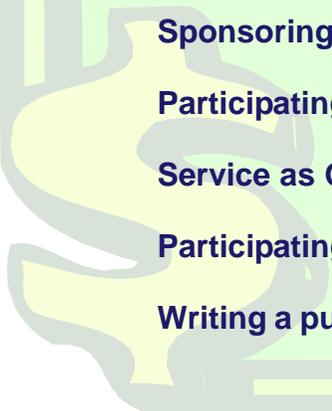
**QUALIFY FOR \$45 INCENTIVE TOWARDS DUES RENEWAL**

The association will reimburse a new or renewing (non-early career) member \$45.00 of the upcoming year’s annual membership dues if and when the member:

- earns at least **16** points throughout the association’s operating year, and
- provides proof of payment of the upcoming year’s renewal fee.

**Points awarded as follows:**

<b>Attending a September – May luncheon meeting:</b>	<b>1 point each</b>
<b>Bringing a guest to a September – May luncheon meeting:</b>	<b>1 point (max 3 pts.)</b>
<b>Attaining CGFM certification:</b>	<b>8 points</b>
<b>Attending an AGA sponsored training:</b>	
2 day event	<b>3 points</b>
1 day event or 3 - 2hr events	<b>2 points</b>
<b>Attending an AGA social event:</b>	<b>1 point each</b>
<b>Sponsoring a new member:</b>	<b>2 points each</b>
<b>Participating in an AGA committee:</b>	<b>3 points each</b>
<b>Service as Officer, Chair, or Co-chair: starting 06-07 year</b>	<b>1 point</b>
<b>Participating in a charity event (time participation required):</b>	<b>1 point each</b>
<b>Writing a published newsletter article:</b>	<b>1 point each</b>



## April CEC Meeting

Submitted by Nathan Abbott, Chapter Secretary



The Nashville Chapter's Executive Committee met on Monday, April 3, 2006, in the 14th floor conference room of the Snodgrass Building. President Dianne McKay called the meeting to order. Chapter Executive Committee (CEC) members present were Gerry Boaz, Chuck Holland, Kevin Huffman, Nichole Curtiss, Melinda Parton, Penny Austin, Nathan Abbott, Susan Irby, Donna Duarte, Dan Willis, Brit Wood, and Kathy Anderson. Committee chairs or their representatives present were Glen McKay, Randy Kinnersley, -and Ray Register.

### Welcome

Dianne McKay welcomed everyone to the meeting.

### Minutes

Gerry Boaz made a motion to approve the minutes of the February 27, 2006, CEC meeting. Chuck Holland seconded the motion; the motion passed.

### Committee Reports

#### Treasurer

Chuck Holland distributed financial statements. Chuck also announced that the chapter has received several thank you notes from charities that we have helped or made speakers' donations.

Chuck Holland made the motion to increase the Internet budget \$50: the motion was seconded by Kathy Anderson; the motion passed.

Kathy Anderson made the motion to increase the PDC budget \$19,000: the motion was seconded by Melinda Parton; the motion passed.

Gerry Boaz made the motion to increase meetings and attendance budget \$2,000: the motion was seconded by Chuck Holland; the motion passed.

#### Program

Glen McKay reported that the program year is winding down and that our last speaker for the year will be Sam McCall, President of AGA.

#### Finance

No Report

#### Education

Kathy Anderson stated that the breakfast seminar will be April 26 from 8 – 10:15 am at the Hard Rock Cafe. The cost will be \$7 for members and \$14 for non-members, 2 hours of CPE will be giving for attending. The speaker will be Dr. Michael R. Fitzgerald.

#### Early Careers

Randy Kinnersley reported that 30 students have registered for the job fair, with a total of 9 different schools represented.

#### Awards

Donna Duarte reported that she is in the process of updating the points. A discussion was held on whether members of the PDC committee should get an extra 2 points for participating on the committee. It was decided that PDC committee members will not receive any extra points. Donna also requested that we try to promote the Fawn W Ellis scholarship. The deadline for the scholarship is April 15, 2006.

#### Membership

Britt Wood reported that 3 people have submitted request for reimbursement of membership dues from the membership incentive program. Britt also stated that guidelines on how to submit for reimbursement will be posted on our internet site. In addition, Britt reported that the membership growth report is a month behind and our current membership number is 375 people.

*Continued on page 11*

***Continued from page 10***Newsletter

Nichole Curtiss reported that the deadline for the newsletter is April 12, 2006. Randy Kinnersley will be featured in the member profile.

Internet

Dan Willis reported that the website has been updated.

Community Service

Ray Register reported that six people have volunteered to participate for the disaster preparedness drill. He also reported that if you would like to volunteer for the Country Music Marathon to contact Jennifer McClendon.

CGFM

Gerry Boaz reported that the CGFM study course for Exam 2 was a success: 8 people attended the class. April 27 will be the next study course for Exam 3. In addition, Gerry reported that Ron Queen and Charles Harrison have met with the Commissioner of Personnel to discuss the CGFM certification.

Meetings and Attendance

Kevin Huffman reported that 73 people have signed up for the April meeting and that Melinda Parton will give the invocation. Also it was reported that the last meeting of the program year will be at the Wild Horse.

Chapter Recognition

Gerry Boaz reported that he did not receive any alternate nominations for the chapter leadership.

Regional PDC

Dianne McKay reported that the PDC was a success and she has received excellent feedback from the conference. She also reported that the profit from the PDC will not be as large as expected.

Dianne also announced the nomination of Michelle Earhart to audit the chapter. A discussion was held on whether a CPA would need to be registered as a business with the State before they can perform an audit. Dianne stated that she will research the topic and e-mail the results to the CEC members.

The meeting was adjourned.



## Promoting Awareness of CGFM CPE Requirements

Chapter members who hold professional certification must comply with CPE requirements. Your chapter can serve these members by providing quality education. Typically a CPE hour may be granted for each 50 minutes of participation in programs and activities that qualify. At conferences and conventions where individual presentations are less than and/or more than 50 minutes, the sum of the presentations should be considered as one total program.

The chapter's CPE records should include the following information for each CPE program or activity.

1. Sponsoring organization (your AGA chapter)
2. Name(s) of the instructor(s)
3. List of attendees
4. The location at which the program was given
5. The title of the program and a brief description of its contents (i.e., subject/topics covered)
6. The dates and length of the program
7. The number of CPE hours granted
8. Retain all CPE records for a minimum of three years
9. Evaluations of the program from instructor(s) and participants
10. The program's learning objectives and any prerequisites

Typically these requirements can be met with a signed CPE form that delineates the topics and times, and a sign-in list for attendees. Additional information regarding CPE requirements for the CGFM is available on the website at [www.agacgfm.org/cgfm/](http://www.agacgfm.org/cgfm/).

## April Chapter Meeting

Submitted by Nathan Abbott, Chapter Secretary



The Nashville Area Chapter held its April monthly meeting at the Nashville City Club on Thursday, April 6, 2006. President Dianne McKay called the meeting to order and welcomed everyone in attendance. Melinda Parton offered the invocation. The minutes of the March Chapter meeting were approved as printed in the April newsletter. Dianne McKay introduced the head table, guests, and new members.

Dianne introduced Representative Charles Curtiss. Representative Curtiss presented the chapter with a CGFM proclamation for the month of March.

Richard Norment introduced the guest speaker, Sam McCall, AGA National President. Mr. McCall spoke about GASB's Service Efforts and Accomplishments (SEA) project—where the board is now and what its plans are for the future. The chapter donated \$35 to the charity of Mr. McCall's choice, St. Jude Children's Research Hospital.

Dianne announced the birthday of Charles Bridges. In addition, Dianne made a request to let Melinda Parton know about chapter members who have or who will be retiring for this program year.

Kathy Anderson announced the breakfast CPE seminar for April 26, 2006. Details are on the chapter's website.

Brian Derrick announced that three members have received reimbursement from the membership incentive program.

Susan Irby announced that scholarship applications for both the Snodgrass and the Fawn Ellis scholarships are available on the chapter website. She encouraged the chapter to pass the information along to anyone eligible to apply for one of the scholarships. Deadline for submission is April 15, 2006.

Gerry Boaz announced the officers and chairs for the next program year.

One door prize of \$25 was awarded to Donna Jewell and Ron Anderson provided the answer to the monthly puzzle.

The meeting was adjourned.

## *Thank You*

I would like to thank everyone who contributed articles to the newsletter this year. Since I have been with the Newsletter Committee, I can't remember getting more than three articles in a year. This year I received 9. I am so pleased with your efforts and want to personally thank you for taking the time to share your ideas, thoughts, and experiences with the membership of the Nashville Chapter of AGA.

Nichole Curtiss  
Newsletter Chair



## Meet Your Chapter Leadership

### Randy Kinnersley, PH.D., CGFM, CPA Chair Early Carrers Committee

Randy is an assistant professor of accounting at Western Kentucky University. Randy completed his undergraduate work at Olivet Nazarene University in Kankakee, Illinois. Following graduation, he worked in health care finance for not-for-profit and governmental hospitals holding the positions of budget director, director of accounting, controller, and chief financial officer.

Randy completed a Master of Business Administration at Eastern Illinois University and a Master of Accountancy at the University of Illinois while working in health care. Randy returned to teach at his undergraduate alma mater after several years of professional experience. He decided he needed to work on a Ph. D. after a few years of teaching. Randy completed his Ph. D. at Texas Tech University and has taught at Western Kentucky University for the last several years.

Randy has published articles on governmental topics in the Journal of Government Financial Management, The CPA Journal, and the Journal of Public Budgeting, Accounting, and Financial Management in the last few years. He has co-presented a professional development program on the GASB Standards with G. Robert Smith (Smitty) at the Southwest School of Governmental Finance for several years and for the Tennessee CPA Society in 2004.

Randy has been a member of AGA since 1997. He finds the high quality CPE at a reasonable cost has one of the many benefits of AGA membership. He and his wife Ruth have also attended most of the AGA socials since 1997.

Randy and Ruth live in Nashville. They enjoy travel and birdwatching. A trip to Glacier National Park in western Montana, including 50 miles of hiking in a week, was the highlight of last summer's travel. Randy is a member of The Gideons International and teaches a Sunday School class at his church.

## 2006-07 Program Year Nominees

As no nominations were made by the general membership by March 15, 2006, the following are the Chapter officer and 2 year director nominees for the 2006-2007 program year:

**President-elect:** Ann Collett  
**Secretary:** Tammy Fruscione  
**Treasurer:** Teresa Hensley

**Two-Year Directors:**  
Nathan Abbott  
Mary Anne Queen  
Angela McElrath-Prosser  
Hellens Kruszynski  
Robbie Hunter

## Training Opportunities Relevant to the CGFM

1. **CGFM Exam 1 Study Course** – online at <http://www.agacgfm.org/cgfm/prepare/onlinecourses.aspx>; anytime
2. **AGA Fourth Annual National Leadership Conference**: February 2-3, 2006; Washington, D.C.; 14.0 CPE hours
3. **Tennessee Department of Audit – GASB Overview**: March 10, 2006; 16<sup>th</sup> Floor Training Room, James K. Polk Building; 8.0 CPE hours
4. **AGA CGFM Committee Exam 2 Training**: March 30, 2006; 16<sup>th</sup> Floor Training Room, James K. Polk Building; 8.0 CPE hours
5. **Tennessee Department of Audit – Internal Control**: April 7, 2006; 16<sup>th</sup> Floor Training Room, James K. Polk Building; 8.0 CPE hours
6. **Tennessee Department of Audit – Fund Accounting**: June 12, 2006; 16<sup>th</sup> Floor Training Room, James K. Polk Building; 8.0 CPE hours
7. **Tennessee Department of Audit – Generally Accepted Government Auditing Standards (GAGAS)**: June 19, 2006; 16<sup>th</sup> Floor Training Room, James K. Polk Building; 8.0 CPE hours
8. **GFOA Annual Conference**: May 7-10, 2006; Montreal, Quebec, Canada; 20.0 CPE hours
9. **AICPA Self Study Courses**: anytime
  - a. **Internal Control Reporting: A Practical Guide to the PCAOB Standard**: 11.0 – 14.0 CPE hours
  - b. **Internal Control Reporting: A Manager's Guide to Surviving the Audit**: 10.0 – 12.- CPE hours
  - c. **Internal Controls: Design and Documentation**: 16.0 CPE hours

[www.cpa2biz.com](http://www.cpa2biz.com) or call to order study materials at 1-888-777-7077



CGFM candidates, plan to attend one of our free CGFM exam review classes and the related Directed Study Sessions prior to the class.

Exam Review Class	Date	Time	Location
CGFM Exam 1    Governmental Environment	Thursday, May 25, 2005	8am-4:30pm	TBA
Directed Study Sessions	Date	Time	Location
CGFM Exam 1    Governmental Environment	Thursdays in May (5, 12, 19)	12-1pm	TBA

These classes are **free**. The texts for the classes are the three AGA CGFM Study Guides (available on line at <http://www.agacgfm.org/cgfm/prepare/studyguide.aspx> for \$85 per copy). The Nashville Chapter has a limited number of Study Guides for short period check out.

Please contact a member of the committee for further assistance or to sign up for any of the review activities.

### CGFM Exam Candidates

Please let us know if you pass any one of the three CGFM exams. If you need any assistance, please contact a member of our committee.

## RECOGNITION OF AGA RETIREES

The Nashville Chapter of AGA would like to offer our congratulations and say thank you to our members who either have or will be retiring from government service between July 1, 2005 through June 30, 2006. If you or if you know of a member that meets this criteria please contact Melinda Parton by email at [melinda.parton@state.tn.us](mailto:melinda.parton@state.tn.us) or by telephone at 615-401-7747.

The Chapter would like to thank you and recognize your government service and as a member of AGA at our May Chapter Awards Luncheon.

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INTERNAL REVENUE SERVICE

# IRS News Release

Media Relations Office for Tennessee  
[www.irs.gov/newsroom](http://www.irs.gov/newsroom)

Media Contact: 615.250.5951  
Public Contact: 800.829.1040

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## IRS Grants Tax Relief for Tennessee Tornado, Storm Victims

TN-2006-39, April 13, 2006

NASHVILLE — The Internal Revenue Service today announced special tax relief for Tennessee taxpayers in the Presidential Disaster Area that was struck by tornadoes, severe storms and flooding from April 2 through April 8, 2006.

The disaster area consists of two counties: Dyer and Gibson.

If the President declares additional counties eligible for Individual Assistance, the provisions below will apply to them also.

Deadlines for affected taxpayers to file returns, pay taxes and perform other time-sensitive acts falling on or after April 2, 2006, and on or before June 5, 2006, have been postponed to June 5, 2006.

In addition, the IRS will waive the failure to deposit penalty for employment and excise deposits due on or after April 2, 2006, and on or before April 18, 2006, as long as the deposits were made by April 18, 2006. If any affected taxpayer receives a penalty notice from the IRS, the taxpayer should call the number on the notice to have the IRS abate any interest and any late filing or late payment penalties that would otherwise apply during the period from April 2, 2006 to June 5, 2006 (April 2 to April 18, 2006 for failure to deposit penalties). No penalty or interest will be abated for taxpayers that do not have a filing, payment or deposit due date (including an extended filing or payment due date) during this period.

Affected taxpayers will need to identify themselves to the IRS as victims by writing (“Storms/Tornadoes - TN”) in red ink at the top of their tax forms or any other documents filed with the IRS. Taxpayers who file electronic returns may use this disaster designation if the tax preparation software contains a “disaster feature.”

### **Covered Disaster Area**

The Tennessee counties listed above constitute a covered disaster area for purposes of Treas. Reg. § 301.7508A-1(d)(2) and are entitled to the relief detailed below.

### **Affected Taxpayers**

Taxpayers considered to be affected taxpayers eligible for the postponement of time to file returns, pay taxes, and perform other time-sensitive acts are those taxpayers listed in Treas. Reg. § 301.7508A-1(d)(1), and include individuals who live, and businesses whose principal place of business is located, in the covered disaster area. Taxpayers not in the covered disaster area, but whose books, records, or tax professionals' offices are in the covered disaster area, are also entitled to relief. In addition, all relief workers affiliated with a recognized government or philanthropic organization assisting in the relief activities in the covered disaster area are eligible for relief.

## Grant of Relief

Under sections 6081, 6161, and 7508A, the IRS gives affected taxpayers until June 5, 2006, to file most tax returns (including individual, corporate, and estate and trust income tax returns; partnership returns, S corporation returns, and trust returns; estate, gift, and generation-skipping transfer tax returns; and employment and certain excise tax returns), or to make tax payments, including estimated tax payments, that have either an original or extended due date falling on or after April 2, 2006, and on or before June 5, 2006.

The IRS also gives affected taxpayers until June 5, 2006, to perform other time-sensitive actions described in Treas. Reg. § 301.7508A-1(c)(1) and Rev. Proc. 2005-27, 2005-20 I.R.B. 1050, that are due to be performed on or after April 2, 2006, and on or before June 5, 2006. This relief includes the filing of Form 5500 series returns, in the manner described in section 8 of Rev. Proc. 2005-27. The relief described in section 17 of Rev. Proc. 2005-27, pertaining to like-kind exchanges of property, also applies to certain taxpayers who are not otherwise affected taxpayers and may include acts required to be performed before or after the period above.

The postponement of time to file and pay does not apply to information returns in the W-2, 1098, 1099 or 5498 series, or to Forms 1042-S or 8027. Penalties for failure to timely file information returns can be waived under existing procedures for reasonable cause. Likewise, the postponement does not apply to employment and excise tax deposits. The IRS, however, will abate penalties for failure to make timely employment and excise deposits, due on or after April 2, 2006, and on or before April 18, 2006, provided the taxpayer made these deposits by April 18, 2006.

To qualify for this relief, affected taxpayers should put the assigned Disaster Designation in red ink at the top of the return, except for Form 5500, where filers should check Box D in Part 1 and attach a statement, following the form's instructions. Individuals or businesses located in the disaster area – or taxpayers outside the area that were directly affected by this disaster – should contact the IRS if they receive penalties for filing returns or paying taxes late.

## Casualty Losses

Affected taxpayers in a Presidential Disaster Area have the option of claiming disaster-related casualty losses on their federal income tax return for either this year or last year. Claiming the loss on an original or amended return for last year will get the taxpayer an earlier refund, but waiting to claim the loss on this year's return could result in a greater tax saving, depending on other income factors.

Individuals may deduct personal property losses that are not covered by insurance or other reimbursements, but they must first subtract \$100 for each casualty event and then subtract ten percent of their adjusted gross income from their total casualty losses for the year. For details on figuring a casualty loss deduction, see IRS Publication 547, "Casualties, Disasters and Thefts."

Affected taxpayers claiming the disaster loss on last year's return should put the Disaster Designation in red ink at the top of the form so that the IRS can expedite the processing of the refund.

## Other Relief

The IRS will waive the usual fees and expedite requests for copies of previously filed tax returns for affected taxpayers who need them to apply for benefits or to file amended returns claiming casualty losses. Such taxpayers should put the assigned Disaster Designation in red ink at the top of Form 4506, "Request for Copy of Tax Return," or Form 4506-T, "Request for Transcript of Tax Return," as appropriate, and submit it to the IRS.

Affected taxpayers who are contacted by the IRS on a collection or examination matter should explain how the disaster impacts them so that the IRS can provide appropriate consideration to their case.

Taxpayers may download forms and publications from the IRS Web site at [www.irs.gov](http://www.irs.gov) or may order them by calling 1-800-TAX-FORM (1-800-829-3676). The IRS toll-free number for general tax questions is 1-800-829-1040.

## **2005-2006 Nashville Chapter Leadership**

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Visit the Nashville Area Chapter's web site at <http://www.nashvilleaga.org>.

Also, visit these other AGA sites:

AGA National Site	<a href="http://www.agacgfm.org">www.agacgfm.org</a>
Southeastern Region Site	<a href="http://agaservp.tripod.com">agaservp.tripod.com</a>
Atlanta Chapter	<a href="http://www.aga-atlanta.org">www.aga-atlanta.org</a>
Central Kentucky Chapter	<a href="http://www.ckyaga.com">www.ckyaga.com</a>
Chattanooga Chapter	<a href="http://www.aga.taxpro.net">www.aga.taxpro.net</a>
Columbia Chapter	<a href="http://www.columbiaaga.com">www.columbiaaga.com</a>
East Tennessee Chapter	<a href="http://www.kornet.org/etaga/">www.kornet.org/etaga/</a>
Tallahassee Chapter	<a href="http://www.tallahasseeaga.org">www.tallahasseeaga.org</a>