



April 2004

Volume 26, Number 8

**President's Message**

I imagine that most of you have been through some form of *strategic planning* in your organizations. If you're like me, some have been successful, while others have not. Therefore, I was a little hesitant to suggest that the Nashville Area AGA Chapter initiate a strategic planning project. However, in leading the Chapter this year, I recognized the need to have some guidance to help us develop our plans. "What are we trying to accomplish?" We have to ask ourselves that question in order to know if we've succeeded. Also, since our leadership changes every year, it's easy to be short-term focused and neglect to consider the impact of our decisions on future years. A strategic plan will help connect all the years together.

Modeled after the Strategic Plan of the AGA National Organization and consistent with the ideas in our Bylaws, we are in the process of preparing a **Strategic Plan Framework**. This Plan is being developed under the guidance of a Strategic Planning Committee containing current and former Chapter leaders. The intention is not to take any authority away from future officers or directors of our Chapter. Once approved by the Committee and adopted by the CEC, the Plan will provide additional information which can be used at the discretion of Chapter administrations to help develop strategies for each year.

We welcome the input of all Chapter members in the development of the Plan. Once approved, it will be published on our website. Then, as the needs and focus of the Chapter change,

it will be subject to revision in the future.

Finally, congratulations to the nominees for officers and directors for 2004-2005. What a worthy group of candidates! I look forward to the continued success of our Chapter under your leadership.

**Chapter Recognition Points YTD**  
(through March 15, 2004)

Leadership	3,050
Education	6,400
Certification	3,525
Communication	5,450
Membership	375
Community Service	2,900
Awards	1,300
<b>Total Points YTD</b>	<b>23,000</b>
<b>Chapter Goal</b>	<b>10,000</b>

**CHAPTER MEETING**

**Thursday  
April 15, 2004**

**Speaker:  
Loren Chumley**

11:30 a.m. - Cumberland Club  
**COST: \$8.00 per member**

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

If necessary you may call  
(615) 862-6100  
by 4:30 p.m. Monday,  
April 12, 2004

**Look Inside!**



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**Welcome New Member**

Chrissi Caruthers

Glen Mizell

Vickie Robbins, CGFM

## News from National

### Feds Urged to Get State, Local Performance Data

Federal managers must hold their state and local counterparts accountable for the performance of programs that have a national impact, according to a report recently released by the IBM Center for the Business of Government. When results achieved by state and local programs influence a government agency's ability to meet strategic goals, federal managers should push states to gather and disseminate appropriate performance data, said Maryland School of Public Affairs Professor Shelley Metzenbaum, the report's author. Federal agencies should compile information from states and publish it in an understandable format for "everyone to study," she recommended. Metzenbaum said agencies should include the state and local data in annual reports required by the 1993 Government Performance and Results Act (GPRA). —Amelia Gruber, *Government Executive*. Read more at [www.govexec.com/dailyfed/0204/022504a1.htm](http://www.govexec.com/dailyfed/0204/022504a1.htm)

### State Lotteries Under Scrutiny Nationwide

In under three months' time, Colorado's lottery director resigned under pressure, Minnesota's lottery director committed suicide after questions from auditors and Nebraska's lottery chief was put on leave during a probe. Just over a year ago, Oregon's lottery director resigned after an audit highlighted nearly \$800,000 wasted in administrative expenses, and this past summer, top lottery officials in Florida were fired after an investigation discovered they accepted meals and gifts from vendors doing business with the lottery. One reason for the rash of investigations may be states seeking to save money during tough economic times and discovering problems during audits. It also stems, some experts said, from state workers feeling more comfortable whistle-blowing in wake of the Enron

scandal, in which workers were labeled heroes for speaking out about scrambled corporate books. In the Florida, Nebraska and Colorado cases, lottery probes were launched after officials were tipped off by workers on the inside. "It's lean times, it's the Enron situation," Colorado state auditor Joanne Hill said. "I think it's heightened the awareness of individuals not to sit back—it is their taxpayer's dollars, too, after all. There is an increased sensitivity to report it, to control bad situations. I think it's a healthy thing, I really do." —Trent Seibert, *Denver Post*. Read more at

[www.denverpost.com/Stories/0,1413,36%257E53%257E1944479,00.html?search=filter](http://www.denverpost.com/Stories/0,1413,36%257E53%257E1944479,00.html?search=filter)

### Make Plans Now to Attend AGA's 2004 PDC

To stay at the top of the profession, it's not enough for government financial managers to keep up to date on current developments in the field. To position yourself as a leader, you must understand emerging issues and trends to be prepared to handle the inevitable challenges and crises that arise in an ever-changing environment. Technological advances in government financial management have changed financial reporting. New regulations have made those changes mandatory. Are you prepared to face these challenges?

AGA's 53rd Annual Professional Development Conference & Exposition (PDC), with the theme, "Technology: Powering the Accountability Age," is one important way professionals can become more knowledgeable about the complexities of meeting new expectations for accountability. Commit to excellence today by registering for one of the top training events of the year.

The PDC brings together more than 1,200 professionals from all levels of government. Consider the benefits. Leaders in the field will discuss the most timely issues affecting government financial management. The high-quality sessions alone are the biggest reason to attend, but the PDC is more than that. The PDC offers unparalleled opportunities to make valuable profes-

sional contacts. Discuss challenges with your peers and discover creative solutions. Connect with a national network of your colleagues. Check out exhibits of the latest information technology products and services that make agencies more effective.

Make plans now to join us for this important event. Stay tuned to the website as more details become available. Please check back often, as this page will be updated regularly. See you in Washington!

### Ridge Says State 'Logjam' Cause of Delay in Aid

A logjam between states and localities is keeping police, firefighters and other emergency first responders from quickly receiving federal aid, the head of the DHS said recently. Lawmakers pressed Secretary Tom Ridge to ensure federal funding goes to responders in cities that could be terrorism targets—without overlooking those in smaller towns and counties who also need support to safeguard against attacks. "We're ready to distribute every penny," Ridge said at a hearing of the House Select Committee on Homeland Security. "The logjam, I believe, is there's no single distribution mechanism between states and the local communities," Ridge said. "It varies from state to state. The federal government is ready to cut the checks." Even so, lawmakers worried that first responders were still being denied necessary tools to protect the public. "I guess it comes down to this—they all want to know, where's the money?" asked Rep. Loretta Sanchez, D-CA. "They still haven't seen it." Senate Governmental Affairs Chair Susan Collins, R-ME, and ranking member Joseph Lieberman, D-CN, both criticized the administration's proposed budget for first responders, which is \$805 million less than the amount allotted in fiscal 2004. —Jason Peckenpaugh, *Government Executive*, and Lara Jakes Jordan, *Associated Press*. Read more at [www.govexec.com/dailyfed/0204/020904p2.htm](http://www.govexec.com/dailyfed/0204/020904p2.htm) and [www.sfgate.com/cgi-bin/article.cgi?f=/news/archive/2004/02/12/national1806EST0785.DTL](http://www.sfgate.com/cgi-bin/article.cgi?f=/news/archive/2004/02/12/national1806EST0785.DTL)

## **Meeting Minutes**

### **March CEC Meeting**

*Submitted by Suzanne Smotherman,  
Chapter Secretary*

The Nashville Area Chapter's Executive Committee met on Monday 15, 2004, at 505 Deadrick Street, 15<sup>th</sup> Floor Conference Room, from 11:30 am to 12:30 pm. In attendance were Phil Carr, Melinda Parton, Suzanne Smotherman, Nichole Curtiss, Kim Dorsey, Ted Fellman, Melvin Jones, Beth Pendergrass, Mary Anne Queen, and Leigh Anne Scheuerman. The meeting was called to order by Phil Carr, President.

### **Welcome**

Phil Carr welcomed all those in attendance.

### **Discussion of February CEC Minutes**

The February CEC minutes were submitted for correction and approval. There were no changes. Melinda Parton made a motion the minutes be approved, Mary Ann Queen seconded the motion. The motion passed unanimously.

### **Committee Reports**

#### **Treasurer**

The financial report was circulated. It indicated that the chapter has \$9,796.57 in checking and \$22,634.87 in a certificate of deposit.

#### **Finance**

No report.

#### **Awards**

Phil Carr reported that Richard Norment's name has been submitted as a nominee for the Robert W. King Award and that the chapter has been nominated for the Community Services Award.

#### **Membership**

Phil Carr reported that the chapter recruited seventeen new members during this program year.

#### **Internet**

No report, but Phil Carr reminded members of the CEC to notify Dan Willis if they needed any updates to the chapter's web page.

#### **Chapter Recognition**

Melinda Parton reported that the chapter has a year-to-date total of 23,000 points.

#### **Community Service**

Phil Carr reminded the CEC that the chapter will be collecting for PUP on Thursday and there is an upcoming project with the Country Music Marathon.

#### **Program**

Melinda Parton reported that Dale Sims, Tennessee's new state treasurer will be speaking on Thursday. Brian Derrick will introduce Mr. Sims.

Deborah Davis, Regional Vice President will also be attending the chapter meeting on Thursday.

Phil Carr reported that to date, 30 people have signed up for the spring social. The sign-up for the social will remain open for a period of time.

#### **CGFM**

Mary Anne Queen reported that the March 29 training session may be full unless a larger facility is located. That full day study session will cover the study guide for exam two of the CGFM exam.

#### **Newsletter**

There was no report for this committee; however, Nichole Curtiss reminded CEC members that articles are due by Friday.

#### **Education**

No report.

#### **Meetings and Attendance**

Kim Dorsey reported that to date, there

are 30 reservations for the chapter meeting on Friday.

#### **Early Careers**

Phil Carr reported that Jennifer McClendon and Nikolas Alexiades are developing a presentation to use at school career days when chapter representatives make visits.

#### **Other Business**

#### **Strategic Planning**

Phil Carr reported that he and Melinda Parton have made significant progress in developing a framework for future chapter leadership to utilize in planning chapter activities and budgets. A financial analysis of the chapter since 1998 is included as a part of this project. It is hoped that these will be useful planning tools in upcoming years. The financial analysis is designed to be updated annually and used as a guide for future decision making.

#### **Next Meeting**

Phil Carr indicated March 18<sup>th</sup> will be the March chapter meeting. It will be held at the Cumberland Club. The next CEC meeting will be held on April 12<sup>th</sup>.

#### **Adjourn**

Phil Carr thanked those in attendance for their service and adjourned the meeting at 12:30 pm.

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### **March Chapter Meeting**

*Submitted by Suzanne Smotherman,  
Chapter Secretary*

The Nashville Area Chapter held its monthly meeting at the Cumberland Club on Thursday, March 18, 2004. President Phil Carr called the meeting to order.

Scarlet Sneed offered the invocation. The minutes of the February Chapter meeting were approved as printed in the March

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## Meeting Minutes

*Continued from Page 3*

newsletter. Mr. Carr introduced individuals at the head table, recognized the guests, and new members.

Brian Derrick introduced the March speaker, Dale Sims, Treasurer of the State of Tennessee. Mr. Sims discussed differences in between being a member of the treasurer's support staff and being the administrator.

Mr. Carr introduced Deborah Davis, AGA's Southeastern Regional Vice President. Ms. Davis thanked the chapter for encouraging its membership to pursue the CGFM designation as well as offering incentives for becoming a CGFM. Ms. Davis also reminded the members of the upcoming PDC in Chattanooga. Speakers will include Robert Smith from Middle Tennessee State University who will provide a GASB update and Janet Kelly from Cleveland State University will present Developing and Implementing Performance Measures.

Gerry Boaz announced an upcoming Training Seminar for Exam II of the CGFM exam on March 29<sup>th</sup>. The training will be held in the 15<sup>th</sup> floor conference room of the James K. Polk Building. There are currently three seats available due to recent cancellations of participants. Mr. Carr announced that CPE certificates from the prior meeting are available in the hall as members leave the meeting.

Jennifer McClendon of the Community Service Committee announced that donations for the Prevention of Unwanted Pets (PUP) will be accepted through today. PUP is a not-for-profit organization which provides subsidized spay and neuter services for pet owners who can not afford the service. Checks can be made

out to AGA for this project. The chapter is also participating in the Country Music Marathon on April 24<sup>th</sup>. Volunteers are needed during the week leading up to the event and on the event day. Fliers were available on each table detailing this information.

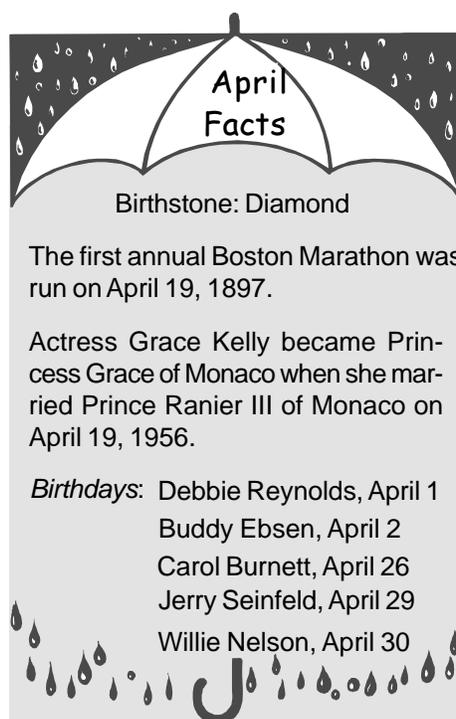
Mr. Carr reported that the scholarship awards will soon be made. The cutoff for applications is March 26, 2004.

Mr. Carr announced that the sign-up for the spring social will remain open for a short period of time. The social will be held at Opryland Hotel's dinner theater on May 8. The cost to each member will be \$25 and each member may bring one guest.

Mr. Sims drew Scarlet Sneed's name for the \$50 door prize.

Ron Anderson provided the solution to the March puzzle.

Phil Carr adjourned the meeting until April 2004.



**April Facts**

Birthstone: Diamond

The first annual Boston Marathon was run on April 19, 1897.

Actress Grace Kelly became Princess Grace of Monaco when she married Prince Ranier III of Monaco on April 19, 1956.

*Birthdays:* Debbie Reynolds, April 1  
Buddy Ebsen, April 2  
Carol Burnett, April 26  
Jerry Seinfeld, April 29  
Willie Nelson, April 30



### CGFM Training Opportunities

#### Advanced GASB 34

Sponsored By Comptroller of the Treasury, Department of Audit  
4/23/2004

#### GASB Overview

Sponsored By Comptroller of the Treasury, Department of Audit  
6/25/2004

#### CGFM Exam 1 Study Course – online

AGA website: <http://www.agacgfm.org/cgfm/prepare/onlinecourses.aspx>

Anytime

The Department of Personnel includes the CGFM certification in the list of certifications eligible for a one-step salary increase. A salary increase *may* be granted to employees of the State of Tennessee if the certification is obtained by passing the exams. To be certain that you qualify for the salary increase, obtain approval from your supervisor and the Department of Personnel *before* sitting for the exams. For specific details see the Department of Personnel Policy #90-031 (10/10/90) amended March 23, 1999.

## A Digest of Budgetary Accounting Principles from the National Council on Government Accounting and the Government Accounting Standards Board

By Ron Queen

### ***Budgetary Accounting***

- Sources:** National Council on Government Accounting Statement (NCGAS) 1 -(Governmental Accounting and Financial Reporting Principles)  
National Council on Government Accounting Interpretation (NCGAI) 10 -(State and Government Budgetary Reporting)  
Government Accounting Standards Board (GASB) Statement 14 -(The Financial Reporting Entity)  
Government Accounting Standards Board (GASB) Statement 34 -(Basic Financial Statements -and Management’s Discussion and Analysis—for State and Governments)  
GASB Codification: Section 1700— THE BUDGET AND BUDGETARY ACCOUNTING  
Section 1200, “Generally Accepted Accounting Principles and Legal Compliance”  
Section 1800, “Classification and Terminology”  
Section 2400, “Budgetary Reporting”  
Section 2900, “Interim Financial Reporting”

Budgeting is an essential element of the financial planning, control, and evaluation processes for governments. Governments should prepare a comprehensive budget covering all governmental, proprietary, and fiduciary funds for each annual fiscal period. Under governmental accounting and financial principles developed by the National Council on Government Accounting, a **budget** is a **legally adopted plan** of financial operation for specific purposes and the proposed means of financing them. Under budgetary accounting principles, the legal requirements set the standard for budgetary accounting.

There are two functions in budgetary accounting: **budgeting**, and **budgetary control**. The most important aspect of budgetary accounting is that the scope and method of government budgetary practices are outside the scope of financial reporting standards

Basic Principles -Budgeting and Budgetary Control

**Source:** NCGAS 1, 76 and 123

#### **A. Every governmental unit should adopt an annual budget.**

According to the budgeting principles established by the NCGA every governmental unit should prepare a comprehensive budget covering all governmental, proprietary and fiduciary funds for each annual fiscal period whether or not required by law. This budget consists of two parts: the annual budget and the long-term budget. There are two parts to each annual budget: the *operational financial plan* and the *capital budget*. The budget authorizes and provides the basis for financial control. The *long-term* budget also known as the *capital improvement program* presents estimates of revenue and capital outlay expenditures for a period of several years – five years is recommended and the proposed means for financing those capital projects.

Governmental budgets will generally be fixed budgets. Proprietary funds are generally flexible budgets. In addition, proprietary funds will generally parallel budgeting practices of business enterprises. Guidance from the NCGA generally addresses the governmental portion of the budget.

The basis of the budget should be that mandated by law. The governing body creates the appropriation or budget resolution using the comprehensive executive budget and other budget documents for organizations, programs, activities, and functions subject to appropriation that are not included in the executive budget.

#### **B. The accounting system should provide the basis for appropriate budgetary control.**

Budgetary control accounts should be used in conjunction with the accounting system to insure compliance with the appropriated budget. These control processes focus on assuring that fixed expenditure limitations are not exceeded and on comparing estimated and actual revenues.

Levels of Budgetary Control and Authority

- A. Appropriated Budget
- B. Legally authorized Nonappropriated Budget review and approval process
- C. Nonbudgeted financial activities relevant for sound financial management

#### **C. Throughout the budget, the accounts, and the financial reports of each fund; a common terminology and classification should be used consistently.**

*Continued on Page 8*

## Committee News

### CGFM Committee News

The committee plans to continue presenting free lunch certificates for those individuals passing the exams, disbursing brochures at meetings to extol the virtues of becoming a CGFM certificate holder, and providing notice of training relevant to CGFM exam content. The committee plans to host a brainstorming study session for the CGFM Exam 2 based on AGA's development of an Exam 2 study book. This study session is scheduled for **March 29, 2004, in the 15<sup>th</sup> floor conference room of the James K. Polk Building from 8:15 am to 4:30 pm** and will be **FREE** to all participants. This session is eligible for CPE (8.0 hours). The Committee also plans to work with the Education Committee to offer formal training that will include topics helpful for individuals who plan to take the CGFM exams. The training is tentatively scheduled for May or June 2004. All members interested in participating in these training opportunities should contact the committee co-chairs, Gerry Boaz ([Gerry.Boaz@state.tn.us](mailto:Gerry.Boaz@state.tn.us)) or Rebecca Barr ([Rebecca.Barr@state.tn.us](mailto:Rebecca.Barr@state.tn.us)).

### Community Service Committee

#### Prevention of Unwanted Pets (PUP)



During the months of February and March 2004, the Nashville AGA Chapter is sponsoring a drive for P.U.P, a small, non-profit, all volunteer group that formed in 1991 to help with the cost of spaying/neutering companion pets. Their goal is to prevent unwanted litters of pets that may eventually be "dumped" or destroyed because there simply are not enough homes for all of them.

#### What They Do:

They will pay part of the veterinarian fee for spaying/neutering an individual's cat or dog. Income must qualify for this assistance. Additionally, they maintain a website which helps place cats and dogs needing new homes.

#### How Can We Help P.U.P.???

By donations of doghouses, pet food, cat litter and other pet needs. Monetary donations are tax-deductible. AGA will be accepting donations through April 1. Please make all checks payable to AGA and reference "P.U.P" on the checks. Your donations can be taken to an approved drop sites. Contact Tammy Thompson (615-747-5219), [tammy.thompson@state.tn.us](mailto:tammy.thompson@state.tn.us) or Alla Baranova (615-747-5218), [alla.baranova@state.tn.us](mailto:alla.baranova@state.tn.us).

Should you have any questions, please contact Tammy Thompson. Thank you for your support.



### Attend the Southeastern Regional Professional Development Conference

The Southeastern Regional Professional Development Conference, hosted by the Chattanooga Chapter of AGA, will be held Monday and Tuesday, April 26-27, 2004. There will be several speakers and topics will include:

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>-GASB Accounting Update</li> <li>-GASB issued since the completion of the Statement 34 project;</li> <li>-Deposit and Investment Risk Disclosures (Statement 40);</li> <li>-Impairment of Assets (Statement 42);</li> <li>-Lessons learned in other parts of the county as related to GASB 34 implementation and some ways to improve financial reporting; and</li> </ul> | <ul style="list-style-type: none"> <li>-Measuring up, developing, and implementing performance measures.</li> </ul> <p>There will also be an evening of mystery and excitement for the Monday Night Event. The Mystery Cafe in Downtown Chattanooga will host a Murder Mystery Dinner show free of charge for Seminar Attendees and guests, but reservations are required.</p> <p>There is a registration fee of \$300.00 for two days (16 hours of CPE) or \$175.00 for one day (8 hours of CPE). The deadline for Early Registration is March 15, 2004.</p> |
|--|---|

To register and for more information, visit <http://www.nashvilleaga.org/AGAPublication.pdf>

## **Nashional Knews**

### **GASB Statement Number 34: The Cataclysm of a New Governmental Financial Reporting Model: Conspiracy or Innovation??**

GASB (Galactic Alien Structures Bureau) has labored over a new financial reporting model for the simple state and local governments for well over ten years. The question is whether GASB intends to use this new model as an innovation or simply as a way to create pandemonium?

The essence of the new model under GASB is the idea of directly reporting to the mothership. This basic idea does eliminate the usual red tape reporting processes typically create. This begs the question of whether this process is intended to create chaos so that GASB can more easily take over the world.

However, it is up to you to decide the answers to these questions. Below is an interview with Mr. Gagag of Simple Life, Arkansas, one of the first cities to implement GASB 34.

#### **Telephone Interview with GASB 34 Implementer Mr. Gagag from Simple Life, Arkansas**

**Q.** What made you decide to implement GASB Statement 34 earlier than required?

**A.** I believe that when my office reported the aliens had taken the mayor as a hostage, the city council felt compelled to begin implementation immediately.

**Q.** How did you present the new reporting model to the city council?

**A.** Well...we used global positioning satellites to map out and burn crop circles illustrating the information flow. Council members were convinced we should implement this structure since aliens, who are obviously the more intelligent life forms, went to the trouble of diagramming this process.

**Q.** Were there other changes that you believe made the information more useful to council members?

**A.** The use of graphics and charts for the MD&A presentation broke down the language barrier.

**Q.** Did you receive other feedback from council members about the new financial statement format?

**A.** Yes. I received two black eyes and several broken bones. In fact, since we are on the telephone you can't tell I'm actually in a full body cast. Man do I itch!!!

**Q.** Aside from the city council's reaction, have you received feedback from other users of the financial statements to the implementation of Statement 34?

**A.** Yeah, but my buddy from Honolulu, Kentucky, only got one broken arm. He got off easy.

**Q.** With the first year of reporting behind you, is there anything you would do differently during the implementation if you were to do it again?

**A.** I would have an ambulance standing by.

**Q.** How did you approach the requirements for the capital asset reporting?

**A.** In order to appease the GASB, we reported that all of the assets belonged to them.

**Q.** Do you have any advice for others who are getting ready to go through the implementation process?

**A.** Apply what you learned from the D.A.R.E program in sixth grade and Just Say No!!! However, if saying no is not an option, resign your job immediately and move.

**Note: Due to the passionate nature of this city's implementation, GASB has decided to retract Statement 34.**

**Q. Are you an APRIL FOOL???????????**



**Greetings**



*Continued from Page 5*

## 1. Terminology

**Continued on Page Source:** *GASB Codification of Governmental Accounting and Financial Reporting Standards: Section 1800 - Classification and Terminology.*

The same terminology should be used for budgetary accounts and the accounting system to allow the consistency necessary to achieve a viable accounting system and comparable, unambiguous financial reporting.

## 2. Budget Classification Structure

**Source:** *The Operating Budget: A Guide for Smaller Governments*, Juliet Carol Powdar GFOA

*GASB Codification of Governmental Accounting and Financial Reporting Standards: Section 1800 - Classification and Terminology*

The following are different classifications that can be used in designing a budget.

**1) Fund:** an accounting-related entity that exists to control and account for funds from various sources.

Examples: General Fund, Special Revenue Fund, Enterprise Funds, and Fiduciary Funds

**2) Program:** a broad category of services provided by a government.

Examples: General Government, Public Safety, Highways and Streets, Health and Welfare, and Utilities

**3) Organizational Unit:** responsibility units; that is, the department and any departmental subdivisions responsible for a particular service.

Examples: Police Department, Fire Department, Building Safety Department, Finance Department, City Attorney, City Council, City Recorder, and Water & Sewer Department

**4) Activity:** a subdivision of an organization or program that identifies a specific service or administrative function performed.

Example: Police Department – Traffic, Police Department – Drug Enforcement, Police Department – Patrol, Police Department – Investigation, Public Works – Street maintenance, Public Works – Refuse Collection

**5) Character:** Classification based on the fiscal period a particular expenditure benefits

Example: Current Expenditures (present), Capital Outlays (future), and Debt Service (past, present, and/or future)

**6) Object of Expenditure (Line Item):** a specific category of cost designed to provide detail on the types of commodities or services purchased by a government and the provision of services.

Example: Personal Services, Contractual Services, Supplies, Building Materials, Debt Service, etc.

**7) Project:** a special classification for capital outlays and sometimes for federal grant activities.

Example: Capital Project – Courthouse, Capital Project – Correctional Facility, Highway Project, Bridge Project

**8) Source of Revenue:** the type of revenue received, such as real property taxes, business licenses, etc

Example: Taxes, Special Assessments, Licenses and Permits, Intergovernmental Revenues, Charges for Services, Fines, and Miscellaneous Revenues

The key is to remember budgetary accounting is an activity apart from financial reporting. Budgeting is an essential element of the financial planning, control, and evaluation processes for governments. Budgeting is an important tool in making governments accountable to their citizens and in making policy by elected officials. Above all the budget is a tool for management. This article concerned itself only with the basic principles of budgetary accounting as promulgated by GASB; budgeting is a topic which is broader in scope and goes beyond these basics. A future article will discuss budgetary reporting.

## Country Music Marathon



### Volunteers Needed

The Country Music Marathon & ½ Marathon will be held on Saturday, April 24, 2004. The proceeds from the race benefit The Leukemia & Lymphoma Society. Last year's race raised over \$2 million (net) which goes towards finding treatments and ultimately, cures for leukemia, lymphoma, Hodgkin's disease and myeloma, while focusing on the quality of life of patients and their families.

The marathon relies on thousands of volunteers each year for its success. For the last few years, AGA has provided volunteers in a number of areas. If you are interested in volunteering or have questions, please contact Jennifer McClendon at

[Jennifer.McClendon@state.tn.us](mailto:Jennifer.McClendon@state.tn.us) or (615) 747-5329.

OR you can fill out the volunteer form online at [http://run.eliteracing.com/php/cmm\\_vol\\_form.php](http://run.eliteracing.com/php/cmm_vol_form.php) and choose the area you want to volunteer; however, to get AGA points you must let Jennifer McClendon or Tammy Farley

[Tammy.Farley@state.tn.us](mailto:Tammy.Farley@state.tn.us) or (615) 747-5221) know that you did volunteer. Thanks in advance for your participation!!!

All volunteers receive a volunteer t-shirt, goodie bag and a ticket to the post-race concert featuring Brad Paisley and Carolyn Dawn Johnson. The concert starts at 7:00 p.m. on Saturday, April, 24, 2004 at the Gaylord Entertainment Center.

**April Speaker**  
**Loren Chumley**



Loren Chumley was appointed commissioner of the Tennessee Department of Revenue by Governor Phil Bredesen on January 18, 2003. Commissioner Chumley originally joined the Department of Revenue's legal staff in 1994, supervising the section of bankruptcy attorneys and then the sales and business tax attorneys. In 1997, she was appointed as the department's hearing officer to handle informal conferences and administrative hearings. Commissioner Chumley served as the department's audit director from November 1999 through December 2002. Commissioner Chumley is a member of the Board of Trustees for the Federation of Tax Administrators. Prior to joining state government, Commissioner Chumley practiced law in Washington, D.C., and in Nashville, Tennessee, focusing in the areas of bankruptcy reorganization, creditors' rights and commercial litigation. Commissioner Chumley received a bachelor's degree from the University of Tennessee and a law degree from the American University Washington College of Law.



**Training Opportunity**

**Tennessee Government Auditing Training Seminar**

**04/26/04 - 04/27/04**

The Tennessee Comptroller of the Treasury and the National Association of State Auditors, Comptrollers and Treasurers (NASACT) have again partnered to conduct this year's seminars. Frank Crawford, Crawford and Associates, will be the primary speaker, bringing a unique blend of technical and practical knowledge to his sessions. This year's seminars are set for Chattanooga on April 26-27, Nashville on May 3-4, Morristown on May 10-11, and Jackson on May 17-18. Note that Chattanooga is a new site and will replace the seminar that has been held in the past several years in Cleveland. For a conference brochure and registration form go to [www.nasact.org/conferences/events.cfm](http://www.nasact.org/conferences/events.cfm)

**Attention Printed Newsletter Recipients**

The Newsletter Committee, in the spirit of saving money and to enhance our Chapter's newsletter, would like to forego the printing and mailing of newsletters. We have several constraints associated with the printed newsletter, such as number of pages and postage weight, which can dramatically affect the contents of the newsletter. We would like to ask everyone currently receiving a printed newsletter to please contact us with a current e-mail address. You may e-mail Nichole Curtiss at [Nichole.Curtiss@state.tn.us](mailto:Nichole.Curtiss@state.tn.us) or visit the Nashville Chapter Website at [www.nashvilleaga.org](http://www.nashvilleaga.org) and click on [Contact the Newsletter Committee](#) to contact us. If you do not have access to the Internet, please contact Nichole Curtiss at (615) 747-5329.



**Free Lunch for Those Passing the CGFM**

The CGFM Committee is continuing its program to congratulate those individuals passing the CGFM exams by offering lunch certificates that are good for a free lunch at any AGA luncheon meeting. If you passed the CGFM exams during September 2003 – March 2004 and have not received a lunch certificate, please contact

Gerry Boaz  
([Gerry.Boaz@state.tn.us](mailto:Gerry.Boaz@state.tn.us)) or

Rebecca Barr  
([Rebecca.Barr@state.tn.us](mailto:Rebecca.Barr@state.tn.us)).

**Mark Your Calendar!**

**April 12, 2004**  
CEC Meeting

**April 15, 2004**

Chapter Luncheon Meeting  
11:30 a.m.  
Cumberland Club  
Speaker: Loren Chumley

**May 8, 2004**

**AGA Spring Social**  
**Assassins Never Lie**  
7:00 p.m.

**May 20, 2004**

Chapter Luncheon Meeting  
11:30 a.m.  
T.B.A.

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