



Capitol Topics

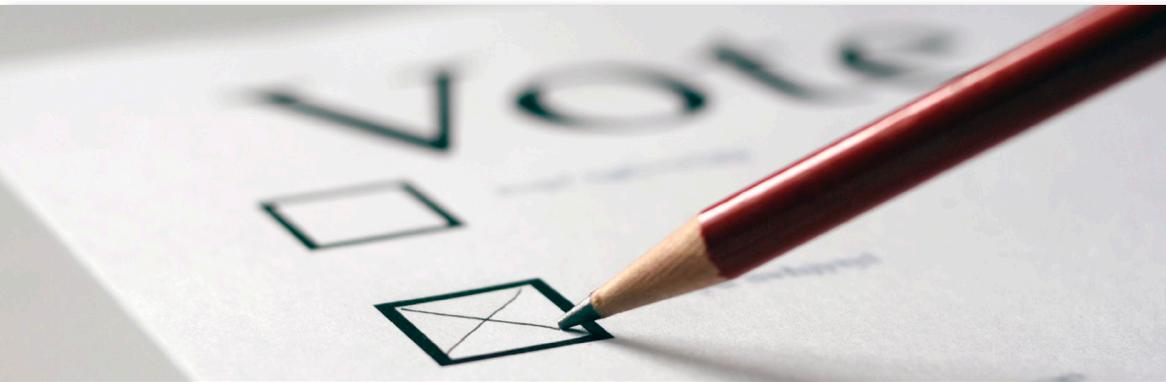
April 2012

PRESIDENT'S MESSAGE

As you know we have been recruiting volunteers for the 2012-2013 AGA Austin Chapter Executive Committee. This is a great opportunity to volunteer, initiate constructive changes, learn new skills, and contribute to your profession. We have filled all of our positions except for the Community Service Co-Chair and the Research Chair. If you are interested please contact me at (512) 673-2806 or Mara.Ash@BAFSolutions.com.

While we will miss those who tirelessly worked to improve AGA this year, we look forward to working with all of our new volunteers next year. Elections for the President-Elect, Treasurer and Secretary will be held at the April luncheon at Corazon.

I. Mara Ash, CIA, CGAP
President, Austin Chapter



UPCOMING CPE EVENT

The Changing Face of Health Care Fraud, Waste, and Abuse in a Managed Care Environment

Date: Thursday, April 12, 2012
Time: 11:30 am - 12:50 pm
Place: Corazon at Castle Hill
1101 West 5th Street
Speaker: Douglas Wilson, CPA, CIG
Inspector General, Texas Health and Human Services Commission
Registration: Eddie Chan at eddie.chan@ers.state.tx.us

Douglas Wilson is a graduate of Texas State University with a Bachelor of Business Administration Degree in Accounting. Mr. Wilson has over 25 years experience in state government and is a Certified Public Accountant and a Certified Inspector General.

He has worked for the Office of the Attorney General, the Texas Commission on Alcohol and Drug Abuse and the Texas Department of State Health Services in the areas of auditing, accounting, grants administration, contracting, investigations, licensing and enforcement. He joined the Office in Inspector General in 2009. Prior to joining the Office of Inspector General, Doug served as Deputy Director for the Medicaid Fraud Control Unit, Deputy for Licensing and Enforcement and Director of the Grants Management Division.

EXECUTIVE COMMITTEE

President
Mara Ash
(512) 673-2806
Mara.Ash@bafolutions.com

President-Elect
Paul Morris
(512) 438-5685
paul.morris@dfps.state.tx.us

Immediate Past President
Zulay Sanchez
(512) 936-1688
zulay.sanchez@oag.state.tx.us

Secretary Lynne Pfeiffer
(512) 867-7181
lynne.pfeiffer@ers.state.tx.us

Treasurer
Mari Queller
(512) 867-7197
mari.queller@ers.state.tx.us

Research Chair
Leita Hart
(512) 996-8588
Leita@auditskills.com

Education/Programs Committee
Debi Weyer
debiweyer@gmail.com

Communications Committee
Eddie Chan
(512) 867-7310
eddie.chan@ers.state.tx.us

CGFM Committee
Bernard Ndoping-Angandje
Bernard.Ndoping-Angandje@tceq.texas.gov

Community Service Committee
Lynda Baker
(512) 280-9550
bright_sunny_disp@yahoo.com

Membership Committee
Kadie Weyer
kadie.weyer@twc.state.tx.us

CPE Events Committee
Patricia Aguilera
(512) 867-7169
patty.aguilera@ers.state.tx.us

Chapter Historian
Phillip Ashley
(512) 463-4275 phillip.ashley@cpa.state.tx.us

Webmaster Lynne Pfeiffer
(512) 867-7181
lynne.pfeiffer@ers.state.tx.us

Regional VP
Riley Shaull
(405) 521-4775
riley.shaull@osf.ok.gov



CGFM NEWS

LETTER TO THE GOVERNOR

Bernard Ndoping-Angandje, our CGFM Chair, is currently working with our current Chapter President and Regional VP to write a letter to the Governor of Texas. The letter will ask the Governor to support existing CGFMs and encourage others to obtain this certification by formally recognizing the CGFM certification as a preferred qualification and offering a pay incentive for government financial managers in the State of Texas who earn and maintain certification.

Encouraging training and certification ensures that Texas has the best and brightest working to safeguard its financial future. We will post the finalized version of the letter in the May newsletter and keep you informed of the status of the request.

WINNER OF THE CGFM SCHOLARSHIP

Congratulations to Eric Cruz! He is the winner of the CGFM scholarship drawing in our March luncheon meeting. Eric currently works for the Employees Retirement System of Texas and is planning to take the first part of CGFM exam in the fall.



HIGHLIGHTS OF MEETING MINUTES

LUNCHEON MEETING ON FEBRUARY 9, 2012

Leita Hart-Fanta served for five years as an auditor and a communications specialist with the Texas State Auditor's Office. Leita led the team that produced a national award-winning report summarizing the financial condition of the State.

Leita is a graduate of the University of Texas at Austin with a bachelor's in business administration. She is a Certified Public Accountant, Certified Government Financial Manager, and Certified Government Audit Professional and serves on the conference planning committee of the Texas Society of CPAs. Leita is a technical reviewer for the AGA's Certificate of Achievement in Service Efforts and Accomplishments Reporting. Leita has owned and operated AuditSkills, a training and professional development company, since 1995.

The presentation covered the following topics:

- The New Yellow Book
- Threats to Independence
- Safeguards
- Non-Audit Services
- Independence Scenarios

For more of the minutes, please visit our website at <http://www.agaustin.org/LunchMinutes.html>



COMMUNITY SERVICE

ARE YOU VOLUNTEERING OUTSIDE OF AGA?

Many members volunteer with various non-profits (e.g., Habitat for Humanity, Meals on Wheels, tax services for free to low-income families, etc.) may not realize that each hour you volunteer could help our chapter achieve our community goals and accumulate community service points in the AGA National Office.

If you find yourself volunteering, please send in the date, hours volunteered per date, and the name of the non-profit organizations or events with which you volunteered to Lynda Baker, our Community Service Chair, at bright_sunny_disp@yahoo.com.



TREASURER'S REPORT

FOR THE MONTH ENDED FEBRUARY 29, 2012

Beginning cash balance per book	\$7,287.54
Plus: Revenues	
Luncheon and audio conferences	1,144.77
Member dues incorrectly remitted to our Chapter (Refunded to National Office In March)	1,030.00
Dividend	0.58
Total Revenues	<u>2,175.35</u>
Funds Available	9,462.89
Less: Expenditures	
Luncheon	680.85
Refreshment for audio conference	11.98
Total Expenditures	<u>692.83</u>
Ending cash balance per book	8,770.06
Adjustments:	
Outstanding checks	-
Ending cash balance per bank statement	<u><u>8,770.06</u></u>

For more details, please visit our website at <http://www.agaustin.org/TReports.html>



MEMBERSHIP

ELECTION

Please remember to cast your vote in the Executive Committees election for the 2012-2013 Program Year. The election will be held in the luncheon on April 12, 2012 at Corazon. The nominees are:

President:	Paul Morris
President Elect:	Priscilla Suggs
Treasurer:	Mari Queller
Secretary:	Autumn Bellfield

NEW MEMBER

Please join us to welcome the following members who joined our chapter in February and March 2012:

[Nicholas Cotton](#), Texas Workforce Commission
[Vanessa Hunt](#), Employees Retirement System of Texas
[Jeanne Leonce Yanga](#), St Cloud State University

ANNIVERSARY

Congratulations! The following members reached their milestone anniversary in March 2012:

1 Year	20 Years
Adana B. Barry	David M. Griffith, CGFM
Michele R. Castro, CGFM	
Katherine L. Golgert	
Despina A. Lambros	



RESEARCH

INTRODUCING AND DEMYSTIFYING LEAN SIX SIGMA

Even for those familiar with it, Lean Six Sigma can mean different things to different people depending on the situation. Sometimes, it indicates a manufacturing technique designed to reduce waste and improve yield. Sometimes it refers to a quality department tool set. Sometimes, it seems like just part of the latest “fix-it” hype, consulting mumbo-jumbo or management flavor of the month type stuff.

If you are reading this publication, we assume that you are looking for some sort of meaning in, with,

or through Lean Six Sigma. This text is intended to provide that insight, as well as a foundation for using Lean Six Sigma immediately within the accounting function of an organization--specifically, a government accounting organization. If you are a government auditor, you will find this book is full of fancy, impressive names (sometimes exotic-sounding Japanese names!) for things you already do, but it may also add a few techniques to your bag of tricks

What Is It?

At the most basic level, Lean Six Sigma is a way of working and of viewing the world that allows all of us to DO THINGS BETTER. Lean Six Sigma provides a framework, a methodology and a wide array of tools and concepts to help people in large and small organizations alike find the value of, and increase the value of the activities in which they are engaged... and who is not interested in that?

In manufacturing, Lean Six Sigma CAN lead to reduced waste and improved yield. That means a better production process, with less scrap, less need for rework, and therefore a better cost picture. For the quality department it CAN represent a set of tools. These help determine what factors influence quality and how to control for them. To others, especially business managers, it CAN appear to be a “flavor-of-the-week” consulting offering--BUT IT WORKS--to drive process improvement and to make things better (that part of process improvement is increased control--something that often appeals to those skeptical program managers!).

Lean Six Sigma can apply to an assembly line function in a manufacturing environment, to a transactional environment (another way of describing a non-manufacturing environment) where the end product is service, or to a virtual environment where collaboration and knowledge transfer is the goal. As an accountant, you may have contact with all of these functional areas or environments in the course of doing your job!

Much of Lean Six Sigma is just organized common sense--like minimizing activities that waste time and don't lead to a desired outcome and like trying to do things right as often as possible to have a better overall result. In the course of everyday work, however, we sometimes lose sight of these basics. Deadlines, politics, conflicting priorities, and multiple demands on

our time and energy can cause us to merely react and sometimes to deflect, instead of really thinking about what we are doing and how we are doing it...or better yet, to reflect on how we could be doing it better.

As it pertains to making things better, the list of areas where Lean Six Sigma can be applied is endless. Below is a sample of typical accounting-focused jobs or functional areas that can benefit from Lean Six Sigma practice. You may have more to add to this list!

- Auditing
- Budgeting and forecasting
- Cash management
- Credit Analysis
- Contracts management
- Compliance assurance
- Cost accounting
- General ledger accounting
- Financial planning
- Fraud investigations
- Grants management
- Information technology implementation
- Inventory control
- Financial analysis
- Financial reporting
- Performance management
- Program management
- Purchasing
- Risk management
- Strategic planning
- Tax accounting
- Treasury management

Pardon the ad nauseam repetition--we really want you to remember this point. As said before, each of these functions or roles can benefit from Lean Six Sigma because Lean Six Sigma can help us do things better. Breaking it down a little more, Lean Six Sigma in accounting and elsewhere equates to:

- Doing it faster (reducing cycle time)
- Doing it more accurately (minimizing errors and re-dos)
- Doing it to the customers' satisfaction (meeting customer specs)
- Doing it more cheaply (do more with less)

Lean Six Sigma can help with all of those desires and can lead to any of those benefits. No, it isn't a cure all, or

silver bullet. You will have to work and use your brain... but hey, that's why they pay you the big bucks, right?

The Accounting Focus

The focus of this book is on Lean SixSigma within the accounting function, regardless of the type of overall enterprise. You may work in accounting within a manufacturing company like John Deere; within a distribution or retail company like Wal-Mart; within a service business like Mabel's Plumbing or Al's Restaurant; or within a small government organization such as a city or school district. You might work within a not-for-profit organization; within an environment with lots of daily transactions like USAA (insurance) or with just a few--think McMansion sales. Whatever your organizational focus and structure, be it government, corporate, private, or non-profit, the accounting function is ripe for introduction of Lean Six Sigma and the benefits it can bring.

When I was in college, an accounting professor at University of Texas (UT) gave a very simple lecture that made a big difference to me. The professor, Dr. Courtland Huber, said that accounting majors had a choice when entering the working world. They could be compliance and transaction-oriented police officers and paper pushers, or they could become part of the management team. He had studied the career paths of accountants over time and noticed a 40% pay differential for those who made the choice to lead and to see a broader picture. "Improvement pushers" triumph over paper pushers--and who doesn't want more salary!?! Lean Six Sigma is an approach for doing this. Let's see why...

TOP TEN Factors That Make Accountants Ideal Users of Lean Six Sigma:

Please [click here](#) to read more about this article.

- Leita Hart-Fanta, CPA, CGFM
AuditSkills.com

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