



# CAPITOL TOPICS

## JANUARY 2014

### EXECUTIVE COMMITTEE

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### PRESIDENT MESSAGE



**Happy New Year everyone!** This is the midway point for the program year and the time has flown by. In the first six months of the year, we've added new faces to the Austin Chapter executive team and membership is holding steady. We've hosted four luncheon CPE Events with new and dynamic speakers. As before, our community service is a point of much pride; you all have contributed to many worthy causes and given much to a community that needs help from every corner. We have more to come - five more luncheon CPE events (including this month), a

networking opportunity in the works, and of course, additional community service events to participate in. So jump on in, the water is fine!

In other news, federal government budget uncertainty continues. Cost-cutting is still very much a part of our daily work lives and reviews for efficiency and effectiveness live on. How often have you heard "do more with less" this week? Closer to home, some of our state agencies are going through the Sunset process and that's always a bit unsettling. As always, your AGA peers are there to help as a resource in helping to shed some light on these topics and more.

This month's luncheon is a two-for: Priscilla Suggs will join me in a discussion on Quality Assurance Improvement Processes for internal audit shops, and Leita Hart will discuss the New COSO Framework - good info for auditors and managers alike. This luncheon will provide 2 hours of CPE, so join us, wont you?

As always, if you have ideas or requests for speakers of topics, please share them with Debi Weyer at [debiweyer@gmail.com](mailto:debiweyer@gmail.com). Don't forget to visit our website at <http://www.agaaustin.org>. I look forward to seeing you soon.

Paul Morris  
President, AGA Austin Chapter

### UPCOMING EVENT

#### QUALITY ASSURANCE AND IMPROVEMENT PROGRAMS FOR INTERNAL AUDIT DEPARTMENTS & UNDERSTANDING THE NEW COSO FRAMEWORK

**Date/Time:**

**Thursday, January 9th, 2014 - 11:30am-1:50pm**

**Location:**

**Carmelo's 504 E. 5th St. Austin TX 78701**

**CPE Credit:**

**1 Hour (11:50am-12:40pm)— Quality Assurance and Improvement**

**Programs For**

**Internal Audit Departments**

**1 Hour (1:00pm-1:50pm)— Understanding the New COSO Framework**

**Registration:**

<http://www.agaaustin.org/aga-austin-reg.html>

**(If you prefer a vegetarian dish, please let Adana know when registering)**

## HIGHLIGHTS OF MEETING MINUTES



AGA Wishes  
you A Happy  
New Year  
2014

### Call To Order

Chapter President Paul Morris called to order the Executive Committee Meeting at 12:00 PM on Friday, December 20, 2013.

### Roll To Call

The following members were in attendance physically either at the ERS Conference Room – Longhorn Annex or via conference call: Paul Morris, Eddie Chan, Priscilla Suggs, Debi Weyer, Tennyle Walker and Autumn Bellfield.

### Membership

- There will be a drawing from the current membership pool for a free luncheon for February 2014.
- **Eddie Chan** will continue in the webmaster position for the 2014-2015 year.
- **Priscilla suggs** will now serve as the Community Service Chair for the remainder of the 2013-2014 program year.

## January Membership Anniversaries

### 1 YEAR

Mrs. Tynetta D. Ballinger, CGFM  
Mrs. Joanne M. Palmer, CGFM

### 2 YEARS

Mr. Andrew D. Dimas, CGFM

### 7 YEARS:

Mrs. Crystal R. Russell, CGFM, CPA

### 14YEARS:

Mrs. Alice M. Garrett

### 15YEARS:

Ms. Glenda D. Collins, CGFM-Retired  
Mr. James S. Killingsworth, CGFM  
Ms. Willo R. Laurel, CGFM  
Ms. Jane H. Wilson, CGFM

### 16YEARS:

Ms. Dianne H. Casey, CGFM-Retired

### 17 YEARS:

Mr. Mitt Anthony Salvaggio, CGFM

### 18 YEARS:

Mr. Steven D. Andrian, CGFM

### 21YEARS:

Mr. Monday N. Rufus, CGFM

### 29 YEARS:

Mrs. Luz Brunilda Bundick, CGFM



### Holiday Community Service Information

- AGA adopted a family of eight from the Centers for Child Protection and was able to ensure that the family had a great Christmas!
- Each child received clothes, shoes, toys, gift certificates, and their special request including the kitchen and Barbie doll house.
- A total of \$150 in gift certificates was provided to the family to purchase food and other items that may be needed.
- The certificates were made up of \$100 gift certificate from AGA and \$50 cash from AGA members. Let's give a big hand to all of the AGA members that helped to brighten this family's Christmas!
- An extra special thank you goes to Autumn Bellfield and Lynda Baker for collecting and delivering the gifts to the Center.

## Upcoming Event

Thursday January 9th 2014

### *Quality Assurance and Improvement Programs*

#### *For Internal Audit Departments*

*(11:50am-12:40pm)*

**Speakers:** Paul Morris, CPA and Priscilla Suggs, CICA.

**Learning Objective:** For internal audit shops, what is quality assurance and why do we need it? This presentation includes a review of the Red and Yellow Book requirements for audit shops, and includes discussion of some QA practices currently in use in state agencies.

### *Understanding the New COSO Framework*

*(1:00pm-1:50pm)*

**Speaker:** Leita Hart, CPA; Audit Skills

**Learning Objective:** On May 14, 2013, COSO released an updated version of its Internal Control—Integrated Framework. Leita will provide an overview of the changes and the new COSO documents.

## COMMUNITY SERVICE

### AGA COMMUNITY SERVICE 2014

*We grow and improve as individuals and organizations through community, and community is critical to success. Success doesn't happen in a vacuum and inspiration doesn't come from sitting at a desk for hours on end.*

*Too often we under-estimate the power of a touch, a smile, a kind word, a listening ear, an honest compliment, or the smallest act of caring, all of which have the potential to turn a life around.*

*Through volunteerism, we can strengthen our communities, impact lives and achieve success. Join the Austin AGA in monthly service efforts to impact and strengthen Texas! As the new community service chair, I hope to provide you with diverse monthly service opportunities to motivate and inspire you.*

Happy New Year and Best Wishes,

**Priscilla Suggs, AGA Community Service Chair**

### Go Swing Dance for Good: Ronald McDonald House Charities of Austin

Saturday, Jan 11 6:00pm - 7:30pm  
Go Dance Studio (North Austin)  
2525 W. Anderson Ln.  
Austin, TX 78757

[http://godancestudio.com/social-dancing/upcoming-events?options%5Bids%5D=9714&options%5Bsite\\_id%5D=729](http://godancestudio.com/social-dancing/upcoming-events?options%5Bids%5D=9714&options%5Bsite_id%5D=729)

Call for more information: [\(512\) 339-9391](tel:5123399391)

Join Go Dance in dancing for good as we host two free Swing lessons (beginner and intermediate levels) with suggested \$10 donations at the door benefiting Ronald McDonald House Charities of Austin. Come meet and learn about the organization and enjoy snacks and beverages along with the dance lessons.

Beginners will learn the basic steps of Swing and intermediate attendees will learn some new moves to add variety to their Jitterbug. Stay after the lesson to mingle or try your new dance moves! Bring a friend (or five!), but no partner is required, and no experience is needed for the beginner lesson.

### Community Tax Centers Volunteer Cupcake Social

Wednesday, Jan 15 5:00pm - 7:00pm  
Community Financial Center– Highland Mall,  
Austin TX  
Upper level across from the food court

<http://www.foundcom.org/get-involved/>

To RSVP e-mail [Lauren.Wilkins@foundcom.org](mailto:Lauren.Wilkins@foundcom.org)

No experience required– just a willingness to help others!

Volunteer with the Community Tax Centers to help more than 17,000 low-income people in your community with free tax preparation services. We're currently looking for more than 700 volunteers for the 2014 tax season. Join us for our Cupcake Social.

### Dell Children's Storybook Gala

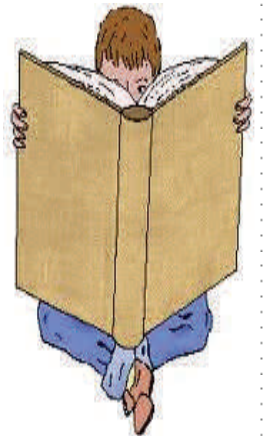
Saturday, Jan 25 6:00pm - Sunday, Jan 26 2:00am  
Austin Convention Center Grand Ballroom  
500 E. Cesar Chavez St.  
Austin, TX 78701

<http://www.childrensaustin.org/cmcf/gala-2013>

Please contact Whitney Peschel at [wpeschel@seton.org](mailto:wpeschel@seton.org) or [512.324.0170](tel:5123240170) for volunteer information.

The annual Dell Children's Gala is the first fundraising event of the year for Dell Children's Medical Center of Central Texas. Each year the Gala provides more than \$1 million to the Medical Center's area of greatest need, and supports the premiere kid and family-centered care offered at the hospital.

This year's Gala will feature live music, silent and live auctions, as well as dinner and dancing, and will be attended by more than 1000 private supporters and members of the medical community.





## Research Article

### From "Board Pursues Unauthorized Practice to Protect Public and the Profession," November 2009 Texas State Board Report

Although not all AGA members are CPAs, many deal with the public in their daily jobs or in their side jobs, and some may consider public practice in the future. Most will be surprised by what they don't know about the unauthorized practice of public accountancy (UPPA) and how it applies to them.

Over 25 years ago, Texas A&M University researchers surveyed Texas residents to examine the public's perception of the use of the term accounting. The survey revealed that, by a margin of 61% to 19%, the public perceived that a person offering accounting services to the public was a licensed CPA. The continued existence of this misconception was most recently verified in 2006 when a polling firm employed by the Texas State Board of Public Accountancy (the "Board") surveyed Texans again. By overwhelming margins, all tested permutations of accounting and auditing services were believed to require licensure. These findings held true across regional, gender, racial, age, income, and educational demographic lines, even among those in the financial services sector.

#### Establishing Restricted Terms

In addition to the use of the Certified Public Accountant, or CPA, designation, Texas law restricts the use of the terms "accountant" and "audit" and their derivatives while offering services to the public, to the exclusive use of Texas CPAs operating through CPA firms licensed by the Texas State Board of Public Accountancy. Restricting the use of these terms serves to protect the public from non-licensees asserting an expertise in accounting they do not have. As demonstrated by the public surveys, these terms are closely associated in the public mind with the practice of public accounting, and a common assumption is that any individual or business offering to perform such services is licensed by the Board.

#### Unauthorized Use of Restricted Terms

The most common UPPA violation is the use of the terms "accountant" and "accounting" by unlicensed entities offering services to the public, a practice prohibited by the Public Accountancy Act. Other violations include use of derivations of the term "audit" to refer to services other than attest services, misuse of the CPA designation, and the performance or offer to perform attest services, which include audits, reviews, and compilations.

One source of confusion regarding the legality of these terms is their use by unlicensed agencies or businesses to refer to internal departments as "accounting departments" or to staff members within these departments as "accountants." Neither violates the Public Accountancy Act as long as these organizations' services are not offered to the public.

#### Violations by CPAs

Keep in mind that UPPA investigations may be opened on licensees. CPA firms using restricted terms for unlicensed employees can elicit investigations. Files may also be opened on CPAs using restricted terms in association with unlicensed firms, using the CPA designation in association with unlicensed firms without the proper disclaimer, or providing compilations (including issuing financial statements) through unlicensed firms.

#### Enforcement

Identifying the unauthorized practice of public accountancy by licensees and non-licensees is a function of the Enforcement Division of the Texas State Board of Public Accountancy, specifically the UPPA Division. This division takes action against unlicensed persons in a manner that is intended to be informative rather than punitive in order to protect the public from being misled. Employees search for violations by unlicensed entities and investigate complaints from CPAs, community members, other state agencies, and members of the Constructive Enforcement Advisory Committee (CEAC). Complaints sent to the Board that may result in a UPPA file may include anything from business cards, websites, newspaper advertisements, fliers, pictures of signs, emails, or any other evidence of alleged violations of the Act or Board rules.

#### Reporting Suspected Violations

You can contact the board with questions about UPPA or report suspected violations by mail, Attn: UPPA, TSBPA, 333 Guadalupe Twr 3 Ste. 900, Austin, TX 78701-3900; by email to [enforcement@tsbpa.state.tx.us](mailto:enforcement@tsbpa.state.tx.us); by fax to 512-305-7854; or by phone to 512-305-7866. Keep in mind that a file cannot be opened without evidence of a violation and reason to believe that the subject of the complaint generated or contributed to the violation. Please be aware that if you provide your name or information with your complaint, the Board may be required by under the Public Information Act to provide that information to the subject of the complaint if requested.

See the full article at <http://www.tsbpa.state.tx.us/pdf/br0911.pdf>