



CAPITOL TOPICS

SEPTEMBER 2015

EXECUTIVE COMMITTEE

President

Bhakti Patel
Bhakti.Patel@us.gt.com

President-Elect

Ben Lyons, Chair
Benjamin.Lyons@ers.state.tx.us

Secretary

Autumn Bellfield
Autumn.bellfield@va.gov

Treasurer

Lorna Schwimmer
Lorna.schwimmer@dfps.state.tx.us

Research Chair

Debi Weyer
debiweyer@gmail.com

Education/Programs Committee

John Barnes, Chair
John.Barnes@ers.state.tx.us

Paul Morris, Co-Chair
pmorris1@austin.rr.com

Communications Committee

Piotr Bartkow
piotr.bartkow@dfps.state.tx.us

Community Service Committee

Priscilla Suggs
priscilla.suggs@gmail.com

Membership Committee

Vacant

CPE Events Committee

Patty Aguilera, Co-Chair
Patty.Aguilera@ers.state.tx.us

Chapter Historian

Sharita Jefferson
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Webmaster

Eddie Chan
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Regional VP

Helene Baker
helenebaker@satx.rr.com

PRESIDENT MESSAGE

Welcome back! I hope everyone had a fun and relaxing summer. The 2015-2016 chapter year has begun and I am excited to serve as the new Austin Chapter president for the upcoming year. The board is focused on a number of initiatives this year including increasing the chapter's visibility and outreach to promote participation and increase membership, hosting networking and community events and continuing our monthly CPE luncheons. We have a number of events and activities in the works and are looking forward to a productive and exciting year.

You spoke and we listened! The Education and Programs Committee reviewed the surveys submitted during the past year and concluded it was time for a change in venue for the chapter's monthly luncheons. Accordingly, our first monthly luncheon will be held at Pappadeaux's Seafood Kitchen. We will continue to poll participants during these luncheons to provide additional options and an opportunity to vote on the venue.

Our first meeting of the year will be held on September 10, 2015 at Pappadeaux's. Our presenter, Joey Longley, former Director of the Sunset Advisory Commission will speak on the Sunset process and its relevance to audits.

Lastly we are always looking for additional participation on the board and committees. If you are interested in assisting on the board or any committee or interested in assisting with a particular event during the year, please contact me or any of the board members for more information. I look forward to working with each and every one of you this year. Thank you in advance for your continued support of the chapter. See you all on September 10th!

Bhakti Patel
President, AGA Austin Chapter



UPCOMING EVENTS

Navigating the Sunset Process

On September 10th, **Joey Longley, Director** will discuss the Sunset process and its relevance to audits. **Please note the membership fee has increased to \$25 per member and \$30 for non-members.**

Date/Time: Thursday, September 10, 2015 - 11:30 am-1:00 pm
Location: Pappadeaux at 6319 N. Interstate 35, Austin, Tx 78752
CPE Credit: 1 Hour
Registration: <http://www.agaaustin.org/aga-austin-reg.html>

Historian Report

Membership Summer Anniversaries

Congratulations to the following members who have reached their anniversary milestone in the months of June, July, August, and September of 2015.

1 YEAR:

Lisa M. Gonzalez
Cary Payne

5 YEARS:

Aaron J. Dvorak, CGFM

15 YEARS:

Mary V. Heath, CGFM
Robert A. Lagana, CGFM

47 Years:

James A. Gerick, CGFM-Retired



The Historian report was prepared by Sharita Jefferson, Chapter Historian.

Executive Committee

The Austin Chapter began its new year under the leadership of President **Tennyle Walker**. Meetings of the Executive Committee continued to be held monthly at the Employees Retirement System with some committee members participating via conference call.

Luncheons

Chapter luncheons were held each month from 11:30 am to 1:00 pm at the Flying Saucer Draught Emporium, located at 815 West 47th Street #100, commonly known as "The Triangle," in Austin, Texas.



The Chapter was successful in recruiting speakers for nine luncheon presentations. All nine engagements provided members and guests an opportunity to earn a total of 9 CPE hours for the year. Monthly attendance at the meetings averaged 23.

Tennyle Walker, Ben Lyons, Paul Morris, Eddie Chan, Lorna Schwimmer, and other members of the Executive Committee carried out the monthly luncheon tasks of checking in members, making sure the lunch was served in a timely fashion, and introducing the speakers. To ensure all luncheon attendees received proper CPE credit, **Patti Aguilera** provided a CPE certificate to each attendee. In addition, **Eddie Chan** compiled program evaluation results from Survey Monkey and shared them with the Executive Committee to use as a tool to make future decisions about topics, speakers and the location of the luncheons.

Networking

The Chapter held a Chapter Networking Event on September 24, 2014 at **The Market**, at 319 Colorado Street in Austin, Texas from 5:30 to 7:30 pm. The networking event was sponsored by Weaver and organized by our Treasurer, **Lorna Schwimmer**. The event provided AGA Austin Chapter members and employees of Weaver an opportunity to invite colleagues and other professionals to find out more about both Weaver and the AGA Austin Chapter. Attendees were afforded a chance to network with AGA members and employees of Weaver with the prospect of gaining potential new members and employees.

Minutes and Treasurer Reports

Secretary **Autumn Bellfield** captured key points made in the luncheon presentations, as well as the monthly Executive Committee meetings in the form of meeting minutes. Autumn sent the meeting minutes via email to the Executive Committee for review and approval prior to publication in the newsletter and posting on the Chapter's website. To help Autumn in achieving her mission, voice recorders were utilized to ensure all Executive Committee meeting notes were gathered while offering a more efficient preparation of meeting minutes.

Executive Committee meeting minutes can be found on the Chapter website at: <http://www.agaaustin.org/ec-meeting-minutes.html>

Lorna Schwimmer skillfully and diligently carried out her duties as Treasurer. To help complete her tasks efficiently, Lorna continued to utilize a Square Credit Card reader to process payments. The Chapter began the year on September 1, 2014 with a cash balance of \$7,059.71 and ended the year with a balance of \$6,650.06 on May 31, 2015.

Treasurer Reports can be found on the Chapter website at: <http://www.agaaustin.org/treasurer-report.html>

Communication—Newsletter

Initially our newsletter was prepared by various Executive committee members until **Piotr Bartkow** agreed to become our Communications Chair in January 2015. As the Newsletter Editor, **Piotr** created a more vibrant Chapter newsletter through the use of stationary, a variety of colorful graphics and images, and current Chapter photos placed throughout. This all contributed to the newsletter receiving several compliments from Executive Committee members. The newsletter was submitted to the National Office for entry in the annual newsletter contest.

Newsletters can be found on the Chapter website at: <http://www.agaaustin.org/newsletters.html>

Website

Webmaster **Eddie Chan** continued to upgrade the Chapter's website and he ensured the uploading of all the Chapter's publications and documents for the year, including newsletters, meeting minutes, treasurer's reports, historian reports, Citizen Centric Reports, upcoming CPE events/luncheons and registration, community service opportunities, current job opportunities and Chapter photos. **Eddie** is currently working to implement the online survey and CPE certificate distribution to the website, and having a community service report generated for all community service hours input into the website, both to allow for even greater efficiency for the Chapter. **Eddie** also renewed the Chapter's web hosting service and obtained a new Post Office Box rental for the Chapter, which will be reflected on the Chapter's website and official correspondence.

The Chapter website can be referenced at: <http://www.agaaustin.org/index.html>

Historian Report (continued)

Community Service

The Austin Chapter would like to thank everyone who volunteered to participate in a community service event this year! Many of our members volunteer throughout the year on their own with various non-profits in the Austin area. A HUGE "Thank You" to all of those who gave their time, money and talents to help others and in particular, to help those who are less fortunate.

JUNE 2014–MAY 2015

- ◇ In September, Community Service Chair **Priscilla Suggs** put in 6 community service hours by volunteering at the Color Run 5K in San Antonio, TX by helping to setup equipment including music equipment, flags and balloons for the race finish line; prepping color bottles to paint the runners; handing out water to race participants; and encouraging runners to keep going to finish the 5K run.
- ◇ In December, the Austin Chapter hosted its annual Christmas Gift Donation Event and participated in the *Angel Tree Ministry* by collecting wrapped gifts for children whose parents are in incarcerated. Angel Tree is a national prison fellowship organization. The Chapter partnered with David Chapel Baptist Church by donating wrapped Gifts to help ensure children in the Austin community receive the basics they need, as well as something special at Christmas!



A Special Note of Thanks:

Again this year, the Chapter would like to acknowledge and offer a *Special Thank You* to our Chapter Community Service Chair **Priscilla Suggs**, who dedicated her time and efforts to finding out about available community service engagements, keeping our Chapter well-informed of all of the events in our area, and participating in the events as well. Some Chapter members donated money for the Angel Tree Ministry at Christmas and **Priscilla** took it upon herself to go out and purchase the remaining gifts needed for our sponsored family with the donated funds, ensuring each family member received the wrapped gift they asked for, and transported the gifts to the church. Thank You again **Priscilla** for your thoughtfulness, commitment and devotion to your job as Community Service chair exemplified by going above and beyond the call to ensure our family had a cherished Christmas!!! Thank you for all you have done for the Chapter!

Awards, Elections, and Recognition

AGA Austin completed the year with the transition of our President **Tennyle Walker** to Past President and our Interim President-elect, **Bhakti Patel** to President. New officer elections and the swearing-in of our retuning Executive Committee members were held at our May luncheon meeting and the following position was filled: President- Elect, **Ben Lyons**.

During the year, the Chapter was faced with several vacancies to our Executive Committee. Some Chapter members volunteered to fill two of the vacated officer positions, including Interim President-elect, **Bhakti Patel** (replaced **Ben Carter**); and the Communications Chair (Newsletter Editor), **Piotr Bartkow**. The President is still looking to fill the remaining vacant positions, including:

- Accountability Chair
- Awards Chair
- CGFM Chair
- Early Careers Chair
- Membership Chair
- Secretary positions

The Austin Chapter sent Chapter members **Bhakti Patel** and **John Barnes** to attend the Section Leadership Meeting (SLM) held May 2015 in Kansas City, Missouri. **Bhakti Patel** also attended the Annual AGA Professional Development Conference (PDC) held July 2015 in Nashville, Tennessee.

The Austin Chapter was awarded the Group D **Honorable Mention Award** for its Newsletter and the name of our Communications Chair, **Piotr Bartkow**, was listed on the award and in the PDT award program. CONGRATULATIONS on your award **Piotr**, and for your tremendous work on our Chapter's Newsletter, making it splendidly informative and ensuring it was distributed timely!!!

The Austin Chapter was also informed that it met all of its goals for the program year! Thanks to all of the Austin Chapter members who participated in our events and who along with the hard work and dedication of the Chapter's Executive Committee members helped to obtain these goals!

Finally, the new Governor for the State of Texas, Greg Abbott, has recognized the special place and need for Certified Government Financial Managers. March 2015 was declared CGFM Month in the State of Texas.



Treasurer's Report For the period ending 07/31/15



Treasurer's Report For the period ending 07/31/15

Beginning Bank Balance 6/30/2015	\$6,366.50
<i>Revenue:</i>	
7/22/2015 AGA Chapter Dues	\$130.00
6/1/2015 Dividend through 6/30/2015	\$0.54
Total Revenue	\$130.54
 Funds Available	 \$6,497.04
<i>Expenditures:</i>	
<i>Date Check No./Credit Card.</i>	
Total Expenditures	\$0.00
 Ending Bank Balance 7/31/2015	 \$6,497.04
Check Register Reconciliation:	
Ending Bank Balance 7/31/2015	\$6,497.04
<i>Outstanding Checks:</i>	
<i>Date Check No. Description</i>	
Total Outstanding Checks	\$0.00
<i>Outstanding Deposits:</i>	
<i>Date Description</i>	
Total Outstanding Deposits	\$0.00
 Adjusted Ending Bank Balance 7/31/2015	 <u>\$6,497.04</u>
 Total Chapter Cash Available Per Check Register 7/31/2015	 <u>\$6,497.04</u>
<i>Cash On Hand:</i>	
CU Min Savings Balance	\$5.00
Luncheon Bank	\$40.00

Community Service



United Way's Fall Day of Caring

When: Friday, September 11 (National Day of Service and Remembrance)

Where: Varies; sign for a particular project. Projects will be held from 8:30 – 11:30 a.m. and will be followed by a volunteer appreciation luncheon.

Sign-up here: [United Way Fall Day of Caring](#)

United Way for Greater Austin's Day of Caring is a community-wide event that addresses critical social issues through meaningful volunteer action. Each year, more than 1,500 corporate and community volunteers lend a hand in tackling issues such as poverty, education and health—doing everything from preparing educational materials for Central Texas students to delivering meals to

beautifying community parks. This city-wide event is an example of United Way's goal to build philanthropy in our community by providing both giving and volunteer opportunities, allowing everyone the opportunity to be a philanthropist regardless of how much they earn or where they live. The act of giving binds us all together and joins us in the shared mission of making sure our community continues to thrive.

WOBEONFEST 2015: Austin World Music Fest and Jazz Fusion Festival

When: September 11 – 13, 2015

Where: Ironwood Hall, Downtown Austin Texas

Sign-up to volunteer here: <http://www.wobefest.com/info/volunteer>



WOBEONFEST returns to Ironwood Hall in Downtown Austin this September, marking the third year of this international festival. Highlights include an expanded program featuring a brand new Jazz Fusion Festival, in addition to the Austin World Music Festival. Volunteer and enjoy the sounds of some of the best international music and local talent under one roof. This festival is sponsored in part by the City of Austin Cultural Arts Division of the Economic Development Department of the City of Austin.

Volunteer at Austin's Annual CASA Superhero Run!

When: Sunday, September 13th at 7:00 am

Where: The Domain Central Park, 11100 Alterra Pkwy, Austin, TX 78758

Sign up here: <http://www.casasuperherorun.com/volunteer/>



Court Appointed Child Advocates (CASA) advocates for abused and neglected children by empowering community to take a stance for these children in the court system. Every child needs a hero, but abused children need super hero! Come out and participate in the annual CASA superhero 5k for children as a race participant or volunteer. It's an exciting time to dress up as your favorite superhero and support the children of Texas.

Community Service (continued)

Volunteer with the Special Olympics of Texas at their upcoming Aquatics Competition

When: Sunday, September 20th (shifts 8 am -4 pm throughout the day)

Where: SOTX Area 13-Central Texas; Bee Cave, TX

Register to volunteer here: [Special Olympics Volunteer sign-up](#)

The mission of Special Olympics Texas is to provide year-round sports training and athletic competition in a variety of Olympic-type sports for children and adults with intellectual disabilities. This gives them continuing opportunities to develop physical fitness, demonstrate courage, experience joy and participate in the sharing of gifts, skills and friendship with their families, other Special Olympic athletes and the community.



Annual Game Changers Luncheon Hosted by Girl Start

When: September 23, 2015

Where: JW Marriott, Austin TX

Sign up here: <http://www.girlstart.org/volunteer/volunteer-opportunities>

Join Girlstart for their annual luncheon, Game Changers, which is a special celebration honoring women in #STEM and raising critical funds to support Girlstart's core initiatives including free after school STEM programs. Girlstart is looking for volunteers to help the day of the luncheon with set up, registration, ushering guests, selling merchandise, and more.



Texas Conference for Women

When: October 15, 2015

Where: Austin Convention Center

Sign up ASAP at: <http://www.txconferenceforwomen.org/conference/volunteer/>

Volunteer slots are currently full, but consider joining the waitlist for the Texas Conference for Women! You don't want to miss this amazing opportunity to volunteer, network, learn, & of course serve! Volunteers are guaranteed free admission to the conference & the keynote luncheons!



Research Article *Christopher S. Ernest, CPA***Payroll Fraud – An Often Overlooked Risk and How to Address It**

(reprinted with permission)

We often hear or read stories in the news about fraud occurring within businesses. Frequently, such businesses are victimized when an individual in a position of financial authority makes unauthorized withdrawals or disbursements from bank accounts, or misdirects cash deposits. In response to these risks, controls are often implemented to prevent and detect fraud relating to cash, but what is often overlooked is the potential for payroll fraud.

According to a 2014 report by the Association of Certified Fraud Examiners (ACFE), payroll fraud is the top source of accounting fraud and employee theft. The ACFE indicates that payroll fraud occurs in 27% of businesses (for-profit and not-for-profit) and happens twice as often in organizations with less than 100 employees. Finally, they note that the average payroll fraud lasts approximately 24 months. In short, the risk is too great not to be addressed. While adding additional controls and steps in the payroll process may seem cumbersome, the benefit of reducing the risk for payroll fraud is worth it. The following are a few simple steps that can be taken to prevent and detect fraud in this important area.

- Maintain timecards for all employees, and supervisors should be required to review and approve them each pay period. Particularly, overtime (for hourly employees), sick time, vacation and other leave time should require an approval. The timecards should be filed as support with the payroll registers each period so they can be reviewed along with the registers.
- Maintain an adequate segregation of duties within the payroll processing function. For example, the individual who posts the payroll to the general ledger should not be the same individual who processes the payroll within the payroll module of the accounting software or with the third-party payroll provider. This will allow for a reasonableness review of each period's payroll at the time it is paid.
- Reconcile payroll registers to the general ledger payroll accounts quarterly. This exercise will assist in detecting if payroll has been mis-posted to another area of the general ledger, or if other fraudulent transactions (i.e. cash-related fraud or fraudulent financial reporting) have been posted to payroll accounts in an attempt to "bury" it within typically large numbers.
- Prepare a detailed payroll budget each fiscal year. Comparing actual payroll results to budget on a monthly or quarterly basis can be helpful in identifying fraudulent activity. Any significant variances from budget should be easily explainable. Reviewers should also keep in mind known variances from budget (i.e. an open position that was budgeted for but not filled), and ensure that these variances are being realized.

Research Article *(Continued)*

- Have an executive of the organization, who is independent of the payroll and accounting function (such as the president, executive director, treasurer, etc.), review the payroll registers periodically for unusual or unexpected activity. He or she should review the hours worked (for hourly employees) along with employee pay rates to ensure they are consistent with expectations. Further, he or she should review the listing of employees paid to identify potential “ghost employees” (individuals being paid who do no work for the organization), or terminated employees who continue to be paid. Many organizations outsource their payroll processing to a third party provider. Through the online platforms made available by payroll providers or within payroll modules embedded in the accounting software, companies will typically have access to a variety of useful reports, including an “audit report” that can be run for a specific payroll period or other period of time and provides a detailed listing of all changes made within the payroll system, such as employees added, employees terminated, rate changes, withholding changes, etc. This is an especially important control for smaller organizations in which the individuals processing and posting payroll also have responsibility for maintaining the employee database, pay rates, withholdings and deductions. Reviewing such a report in connection with a review of the payroll registers can be very useful. Changes identified by an “audit report” should be supported by the appropriate paperwork and authorizations within the employee files.

In the end, the key to payroll fraud prevention is identifying how it could occur within your organization and adding reasonable controls, such as those recommended above, to address the risks.