



CURRENT FINANCIAL ENVIRONMENT

Lisa Casias
National President-Elect
Association of Government Accountants

PERTINENT QUOTES

- I have made the tough decisions, always with an eye toward the bottom line. Perhaps it's time America was run like a business.

[Donald Trump](#)

- The time is always right to do what is right.
— *Martin Luther King, Jr., civil-rights leader, minister (1929-1968)*



GAO REPORTS

- The Federal Government's Long-Term Fiscal Outlook
 - In FY09 the overall federal deficit reached 9.9% of GDP – the largest since 1945, and the deficit is expected to decline only slightly in 2010.
 - Long-term simulations show that absent policy the federal government faces an unsustainable growth in debt.
- State and Local Government's Fiscal Outlook – March 2010 Update
 - Simulations show that, like the federal government, the state and local government sector faces persistent and long-term fiscal pressures.
 - Declining fiscal conditions shown in GAO simulations suggest the fiscal pressures the sector faces and the extent to which these governments will need to make substantial policy changes to avoid growing imbalances.



OMB IDENTIFIED FM ISSUES

Critical gaps in financial management performance remain.

- Weaknesses in basic financial management practices continue to prevent four major agencies, and the Government as a whole, from achieving a clean audit opinion.
- The cost of maintaining effective financial operations is increasing, driven largely by the growing and unacceptably high costs agencies are incurring to modernize agency financial systems.
- While Federal agencies have mobilized resources to meet the new and growing demand for real-time transparency into where recovery-related and other Federal dollars are going, more work is necessary to sustain these solutions in a cost-effective manner over the long term.
- Federal agencies made nearly \$100 billion in improper payments in FY 2009 and continue to maintain thousands of unneeded real property assets on their books.

These instances of Government waste compromise the integrity of Federal programs, lead to damaging inefficiencies, and erode citizens' trust in Government.



OMB INITIATIVES

Three areas emerge as the optimal priority areas for the Federal financial management community:

- Eliminating Waste – Efforts to cut Government waste should be prioritized through renewed focus and emphasis on eliminating improper payments, removing unneeded real property from the Government's books, and strengthening the audit framework for Federally-funded State and local activities.
- Closing the Efficiency and Technology Gap in Financial Operations – Expensive and long-term investments in technology solutions to support financial reporting and accounting must be reconsidered in favor of shorter-term, lower cost, and easier to manage solutions that meet critical business needs, drive operational efficiency, and leverage shared service solutions.
- Promoting Accountability and Innovation through Open Government – Efforts should be directed towards improving the content and quality of currently reported information to provide better value to taxpayers and Government decision-makers. Further, solutions must be developed and deployed in partnerships that extend beyond the borders of the Federal financial management community, to involve Federal and State stakeholders, and most critically, members of the public.





*Advancing
Government
Accountability*

AGA: The Current and Future Outlook

Lisa Casias, CPA
AGA National President-Elect
Montgomery/Prince Georges
County Chapter Dinner Meeting
March 17, 2010





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Vision

Premier association for advancing government accountability

Mission

AGA serves government accountability professionals by providing quality education, fostering professional development and certification, and supporting standards and research to advance government accountability.



Focus areas

Advancing Government Accountability

- Accountability
- Certification
- Education and Research
- Service



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Accountability

Promote and advance accountability in government

- Intergovernmental Partnership Program
- Federal News Radio
- “We the People” Webinars
- ARRA Dialogues
- Case Challenge – 23 submissions this year





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Accountability

Promote and advance accountability in government

- Performance and Accountability Reporting
 - CEAR at the federal level
 - SEA at the state and local level
- Citizen Centric Reporting Program – 4-Page Citizen Focused Report – Guidelines and Other Tools Available





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Survey - Public Attitudes Toward Government Accountability and Transparency 2010

Harris Survey results measure the citizens' expectations of what government financial information they should receive, and the resulting gap between their expectations and what they receive.

- 75% of respondents believe that the availability of government financial management information is very important
- The public is least satisfied with the financial management information they're receiving from the federal government
- Reflecting the past two years, the public generally considers state and local government financial reporting to have stayed the same, and federal to have gotten worse





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Survey - Public Attitudes Toward Government Accountability and Transparency 2010

- Overspending and/or wasting money is a top concern about government financial management across all levels
- After hearing a description of Recovery.gov, 76% indicated they would be likely to either visit or return to the site
- Approximately 80–90% voted in the 2008 federal, state and local elections. Roughly 75% of these people say that financial management information was an important factor in their decisions





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Citizen-Centric Reporting

AGA believes that governments should communicate information to their taxpayers in a way that is:

- Clear and understandable
- Updated regularly and often
- Delivered to all and easy to locate
- Honest in breadth and technically accurate in detail

AGA's four-page Citizen-Centric Reporting model provides practical assistance to help governments achieve this.





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AGA Citizen-Centric Reporting Model

Content Guidelines

- Page 1
 - Strategic Objectives – What we’re required to do
 - Demographic information
- Page 2
 - Notable Accomplishments – top services
 - Performance metrics (non-financial) for services
- Page 3
 - Revenues and Expenses – pie charts
- Page 4
 - What’s Next? Future Challenges?
 - Infrastructure items





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Certificate of Excellence in Citizen-Centric Reporting

- A **Certificate of Excellence** will be awarded to entities that prepare and distribute high quality reports.
- To be eligible for the excellence certificate, governments will need to incorporate into their report the program's high standards of content, visual appeal, readability, distribution and timeliness in reporting.
- A **Certificate of Achievement** will be presented to those entities that fall short of incorporating all of the requirements for the **Certificate of Excellence**, but still have produced a four-page report.
- Apply online at www.agacgfm.org/citizen/award.aspx – no charge to participate.





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Certification



Make the Certified Government Financial Manager (CGFM) the preferred professional designation in the government accountability community

- Training programs to prepare for the CGFM Exams
- Working with agencies and private sector firms to provide CGFM training at their doorstep
- CGFM Two-Day Intensive Review Course and Exams at National Conferences
- Nashville Chapter – secured “preferred” status for CGFM for State of Tennessee Office of Comptroller for the Treasury applicants





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Education and Research

Provide comprehensive education and research to meet the changing needs of the government accountability profession

- National and Chapter Conferences, Internet Courses, Self-Study, Audio Conferences, Onsite Programs – 41 Courses
- Financial Management Standards Board
 - Testifies at FASAB and GASB
- Corporate Partner Research Program – 23 Published Studies, 3 in progress!
 - Used on Congressional testimonies, Congressional Budget Office and Library of Congress academics
- Academy for Government Accountability





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Service

Provide members and customers with quality programs, products and services

- Current membership is 15,000 – Retention rate of 86%
- Corporate Partner members – 79

Communicate with Members via:

- LinkedIn, Facebook, GovLoop, Twitter
- Government Financial Management Topics & AGA Today – Distributed on alternating Mondays
- AGA Insider – Monthly
- AGA Perspectives on Performance – Monthly



Future Plans

- Review of current performance metrics – movement from output to outcome measures
- Review and update of the 2003 Strategic Plan



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AGA is the Thought Leader in
Advancing Government
Accountability and
Transparency.

www.agacgfm.org

