

Budget & Finance

ASPA Association for Budgeting & Financial Management

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Conference Rescheduled for January

by Rebecca Hendrick, Conference Chair

Normally this time of year we would be reporting on the success of our annual conference. But, as you know, the horrific events of September 11 and the closing of Reagan National Airport for many weeks prompted the postponement of the 2001 conference. It will be Thursday, January 17 to Saturday, January 19. The ABFM website (www.abfm.org) has an updated version of the conference schedule that includes registration and hotel information. The hotel is still the Washington Marriott, and the conference room rates have been reduced to \$119.

We have rebooked Alice Rivlin as our keynote speaker for Friday, January 18 at 2pm, and Sean O'Keefe for 10:15am, Thursday, January 17. Dr. Rivlin is currently Chair of the District of Columbia Financial Management Authority, and has had a distinguished career at the federal level of government. She was Director of the Office of Management and Budget from 1994 to 1996, and was the founding Director of the Congressional Budgeting Office from 1975 to 1983. She was also Vice Chair of the Federal Reserve Board from 1996 to 1999, and Assistant Secretary for Planning and Evaluation at the Department of Health, Education, and Welfare. Sean O'Keefe is currently Deputy Director of the Office of Management and Budget and NASA Administrator-designee. He was Secretary of the Navy under George H. Bush and Comptroller and CFO of the Department of Defense prior to that appointment.

Thus far, no substantive changes have been made to the posted schedule from the original September date, but we do anticipate the need to reorganize panels somewhat to accommodate cancellations and additions. At this point we really need to know if people who were scheduled for the September conference plan to attend and present at the rescheduled times for the January dates. *All panel chairs, please confirm that the participants of your panel will be presenting and then contact me at hendrick@uic.edu with that information.* If you do not have email addresses for your participants, that information is posted on conference schedule on the website. Additionally, if others would like to submit a proposal for a panel, we have space on the schedule to accommodate more panels. Please send those proposals to me.

Although this conference has suffered with the anticipated IMF/World Bank protests and then 9-11, we will have a good conference this year. Many concurrent sessions have panels on performance measurement, which indicates the importance of this topic to both academics and practitioners of budgeting and financial management. The title of the conference, *Budgeting in a New Millennium: Transition or Transformation*, is perhaps even more apt than we could have expected. This certainly is a different world, politically and economically, from the one prior to 9-11, which will undoubtedly bring new challenges for budgeting and financial management in the near future. I look forward to debating and discussing these changes with my colleagues at upcoming conference.

See everyone in DC!

ABFM and GASAC: Bridging the Gap

by John Forrester, U.S. General Accounting Office

The past several decades have witnessed a burgeoning of associations that specialize in budgeting and finance. They focus on niches defined by political and administrative institutions, level of government, topical issues, and practice or theory. Unfortunately, by focusing on a niche, there are precious few organizations whose purpose is to both support and bridge the specializations. ABFM, however, is one such organization. ABFM's by-laws allow it to undertake activities that purposefully overlap niches, to develop cooperative relationships with other professional associations in the fields of public budgeting and financial management, and to provide a forum for discussing and commenting on public policy issues as they relate to public budgeting and financial management. To date, we do this by holding an annual conference, supporting panels at the ASPA conference, sponsoring *Public Budgeting & Finance* under contract with Public Financial Publications, publishing a quarterly newsletter and, most recently have developed an internet site. ABFM's primary purpose is to advance "the science, processes, and art of public administration as it relates to budgeting and financial management." Over the past year, we have made an effort to remedy that shortcoming, bringing us into uncertain but promising territory. That effort has been to reach out to one association that has carved for itself a very important niche in financial management at the state and local levels, and that is significant for both practitioners and academics—the Governmental Accounting Standards Advisory Council (GASAC).

On September 24, 2001, ABFM was invited to present a case about why it should be a member of the GASAC. Following that presentation, the GASAC recommended to its oversight body, the Financial Accounting Foundation (FAF), that ABFM get a seat on the GASAC. The FAF agreed and the GASAC offered the seat to ABFM. What is the GASAC? The mission of the GASAC is to serve in an integral advisory role to the Governmental Accounting Standards Board (GASB) in its process of establishing and improving concepts and standards of financial accounting and reporting for state and local governmental entities, and to advise the FAF on matters affecting the GASB. The GASAC works closely with the GASB in an advisory capacity and strives to assure that the views of its members are consistently and effectively communicated to the GASB on a timely basis. Members of the GASAC include representatives of the American Accounting Association, American Institute of Certified Public Accountants, Association of Government Accountants, Association of

School Business Officials International, Council of State Governments, Government Finance Officers Association, International City/County Management Association, National Association of Counties, National Conference of State Legislatures, National Governors Association, National League of Cities, U.S. Conference of Mayors, the U.S. General Accounting Office, National Association of State Budget Officers, and several others. As a member of the GASAC, we are in very good company and, because of our membership, we stand to serve the professional and academic community in a unique way, as will be determined by how we approach our inter-organizational responsibilities in the years ahead.

What are the implications for ABFM as a member of the GASAC? According to the operating procedures of the GASAC, members have several responsibilities. They are expected to provide individual comments to the GASB regarding Statements of Governmental Accounting Standards, Statements of Governmental Accounting Concepts, Interpretations, and other documents of issuance, as well as comments and other expressions of view on such other matters as may be referred to them or GASAC by GASAC's Chairman or by the GASB or its Chairman. GASAC members are also expected to be alert to publicly expressed views and concerns regarding existing governmental accounting and reporting concepts and standards, and to advise GASAC and the GASB as to the desirability of the GASB's reviewing or reexamining its Statements of Governmental Accounting Standards, Statements of Governmental Accounting Concepts, and Interpretations, as well as effective pronouncements and other applicable literature. Additionally, GASAC members are expected to communicate their individual perceptions of potential economic effects of proposed or effective pronouncements, and are encouraged to consult with one another and others in order to communicate more effectively.

As a member of the GASAC, ABFM not only becomes a more critical member of the professional community, the relationship should afford ABFM more of an opportunity to:

- **Engage in professional development**, by defining the types of knowledge, skills, and behavior associated with public budgeting and financial management; and by developing improved programs and academic curriculum offerings.
- **Develop relationships**, by encouraging and fostering cooperative relationships with other professional associations in the field.
- **Support publications and communications**, by identifying topics that should be included in the literature on budgeting and financial management.

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- **Debate public policy issues**, by providing a forum for the discussion of current issues of special concern to students and professionals in the field, and developing procedures for commenting on financial implications of proposed legislation and public policy.
- **Facilitate research**, by identifying research projects, and recommending to foundations and agencies the wisdom of sponsoring research projects.

Reaching out to the GASAC should be but a first step. The next challenge is to take advantage of this newfound opportunity and to look to other venues that may allow ABFM to emerge as an association that works with more specialized organizations to advance the practice and scholarship of governmental budgeting and financial management.

ABFM Best Student Paper Award, 2001

The winner of the ABFM Best Student Paper Award for 2001 is Kyle I. Jen. Kyle is a recent graduate of the MPA program at Michigan State University in East Lansing. His paper, "Michigan Tax Expenditures, 1990 to 2000," was nominated by Professor Carol S. Weissert. A revised version of Kyle's paper will be appearing in an upcoming issue of *Public Budgeting, Accounting & Financial Management*.

Kyle's paper utilizes tax expenditure data from the State of Michigan to address how Michigan's experiences compare to those that have been reported at the U.S. federal level. Kyle addresses the various types of tax expenditures, who benefits, and the growth in tax expenditures compared to direct expenditures. He finds that Michigan's tax expenditures generally benefit low income individuals and have not grown at a faster pace than the state's direct expenditures. Kyle's findings, in contrast to some of the findings related to federal tax expenditures, suggest that there is a need for more exploration of what is happening with tax expenditures at the state level.

The committee was very impressed with Kyle's work. His paper explored issues that are important to both practitioners and academics. He presented the data analysis in a clear and informative manner. His paper was well written and raised a number of issues for future research.

Kyle currently is working as a Fiscal Analyst for the House Fiscal Agency, Michigan House of Representatives in Lansing, Michigan. He addresses budget issues associated with the state police, military, and veterans' affairs.

The ABFM Best Student Paper Award is an annual award. The papers must be nominated by a faculty supervisor and, for the 2002 award, must have been written between June 2001 and May 2002. A call for nominations will be announced in a future edition of this newsletter.

Association of Government Accountants Conferences

The Association of Government Accountants (AGA) is sponsoring two conferences of interest. One is their annual Federal Leadership Conference on January 24-25, 2002 at the International Trade Center, Ronald Reagan Building, Washington, DC. Titled, "Leading Transformation," the conference description is as follows:

"Federal government financial managers are expected to make accountability their top priority. This national conference is a must for anyone working on the front lines of government financial management and involved in overseeing the direction of their agencies. The conference will focus on how government financial professionals can lead positive change in their field. This annual conference brings together more than 400 leaders from the executive and legislative branches of government and the private sector. The conference also attracts top-level private sector leaders who implement and support federal programs. To learn more about this conference, or to register, go to <http://www.agacfm.org/flc/index.html>"

A second AGA conference is AGA's 51st Professional Development Conference and Exposition, on July 7-10, 2002, Hyatt Regency Atlanta. Titled, "Our Government and Nation are Transforming. Are You Prepared?" this education and training conference annually attracts more than 1,400 leaders from federal, state and local governments and the private sector. It addresses timely issues in government auditing, accounting, financial management, budgeting, and information technology. It offers more than 30 hours of Continuing Professional Education hours. To learn more, or to register, go to <http://www.agacfm.org/pdc/index.htm>.

Quips and Quotes

"Should five percent appear too small,
Be thankful I don't take it all.
'Cause I'm the taxman,
Yeah, the taxman,
And you're working for no one but me."
- John Lennon and Paul McCartney

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