

It is the Communication and Technology Committee's goal to provide timely, educational and relevant information to the VGFOA members. Participation of the VGFOA members in providing feedback, writing relevant articles and/or providing other information to further the goals of the Communication and Technology Committee is strongly encouraged. Please visit the VGFOA website at <http://www.vgfoa.org>; contact VGFOA Board members or contact Communication and Technology Committee members for additional information and/or feedback.

President's Message – Terry Adams

Hello to all! I hope your budget process is moving along smoothly and nearing completion. I know that this is a busy time of year for everyone. The Governor's proposed increase in education funding was a welcome surprise in both of the localities where I am involved with the budget. Just remind yourself that Spring is fast approaching.

Speaking of Spring, this year's conference is being coordinated by the Education Committee and the chairperson is Ann Shawver. This year's Spring conference will be held June 4th – 6th at the Sheraton Oceanfront. Hotel reservations will be accepted through May 4, 2006 and the rates can be found on our website at www.vgfoa.org. Watch the website for agenda and conference registration information to be coming soon. Information regarding sponsorship and exhibit opportunities is currently posted to the website.

I am sad to announce that the Executive Board is losing one of its newest members. Greg Akers has accepted a position with Cherry, Bekaert, & Holland, as a Senior Manager. His work will focus on government and not-for-profit audits. Although no longer on the Board, we will likely continue to see Greg as an associate member at conferences and training events. The position will be filled with a majority vote by the Executive Board.

I am pleased to announce that several members have completed the VGFOA Certified Public Finance Officer program. Those completing the program include Pamela Kamalakkannan, Marycarol White, Barbara Hudson, and Lisa Parker. These individuals will be recognized at our conference and I hope that you will have an opportunity to speak with them regarding the program and its benefits. Don't forget to review the training opportunities and schedule on our website.

Finally, the Executive Board will hold its next meeting on March 20th in Charlottesville. We will review the current Strategic Plan for the organization at that time. Please feel free to contact any Board member with ideas, comments or request for information.

See you in Virginia Beach in June.

Terry Adams

PS – Check out the article in this newsletter on [Purchase Requisitions: To Automate or Not To Automate](#). We hope that this is the first in a series of featured topical articles.

New Look for Newsletter!



Some of you may still be getting accustomed to reading the newsletter from the website. If so, you may be surprised to learn we have not printed and physically mailed our newsletter since September 2004. Starting with this edition, we are inserting a summary version in an email message to members. The new format allows for easier inclusion of pictures and graphics, with summaries linked to complete articles. More routine information, already on our website, is now accessed by links on left side of summary edition. If you have not looked at our website recently, check out those links. In addition to the training calendar and certification program information, you can look up other members, update your member information, review or post job opportunities, or learn more about the organization.

The newsletter is produced through our [Communications and Technology Committee](#) (Committee) with the assistance of Radford University's [Governmental and Nonprofit Assistance Center](#) (GNAC). GNAC aligns the Committee with consultants, who were instrumental in developing and implementing the new format. While the new look provides a better vehicle to reach our members, we need your help to submit future articles and provide feedback on what you want to see. To submit a future article for consideration, contact the [Editor](#).

VGFOA Conference Information

Mark Your Calendars!

Be sure to put the 2006 VGFOA conferences on your calendars! VGFOA will be hosting two conferences in 2006, the Spring and Fall Conferences.

VGFOA 2006 Spring Conference Sheraton Oceanfront Virginia Beach June 4-6, 2006

This is an exciting opportunity for our "spring" conference to be held just a bit closer to "summer". Make plans to arrive early in the beach area and enjoy some good weather and excellent professional opportunities with the VGFOA! See the [VGFOA](#) web site for hotel reservation information, and get your reservations early as there are limited rooms which will be available through May 4th. The summer conference will bring with it an extra reception to be held Monday evening after the conclusion of the conference. This reception will include live entertainment by Virginia Beach favorite Lewis McGehee. This is another great way to network with members of the VGFOA and its supporting vendors and to make plans with others for dinner at one of the great restaurants in Virginia Beach. The program for the summer conference is well underway with sessions planned on OPEB, other GASB statements, investment of bond proceeds, budgeting, operational issues, the VSCPA ethics course and others. We will offer a variety of sessions intended to meet the needs of diverse finance professionals at both large and small municipalities. If you have suggested topics or speakers, please contact Ann Shawver at ann.shawver.roanokeva.gov.

VGFOA 2006 Fall Conference
Hotel Roanoke
Roanoke
October 4-6, 2006

The conference again returns to the “Star City” and historic Hotel Roanoke. The Hotel Roanoke is connected via the pedestrian bridge and walkway to Roanoke’s award winning downtown. Make plans next October to spend some time in this charming city in the southwest region of the state! Sponsor and exhibitor forms can be found under [Resources/Forms and Graphics](#).

News Flashes!

We are very excited to announce the return of an old friend, **Mike Edwards** of VACO, to help represent our interests and keep us informed of the activities of the General Assembly. He and **Suzette Denslow** of the Virginia Municipal League are providing us with updates from the General Assembly that we are posting to the VGFOA web sight. Please see the VGFOA home page for guidance on how to get the information you are looking for. The most current information provides a status report on the capping of real estate taxes, sunset dates for sales taxes, and caps on BPOL to name just a few. Please let us know if you find this information helpful.

VGFOA Committee Reports

There is a great deal of activity associated with the **Standards Setting Committee**. We are reviewing current Exposure Drafts for relevance to our membership and will prepare a representative Association response. The current Exposure Draft we are reviewing is, Accounting and Financial Reporting for Pollution Remediation Obligations, which requires a response by May 1. Please let us know if your jurisdiction is strongly affected by this statement, which will help us determine if a response is warranted. We are also posting links to GASB’s, Revised Technical Plan for the First Third of 2006, and Information about GASB Projects, on the VGFOA website to make it easier for you to know what GASB is working. Further, we will work to provide updates on Other Post-Employment Benefits (OPEB) guidance and implementation support, like the current GASB draft technical OPEB guidance on Medicare Plan B. We strongly encourage you to attend the VGFOA Spring Conference in Virginia Beach, where our committee members will be providing useful guidance on how to implement the four new GASB pronouncements that have mandated compliance this year, as well as providing an update on GASB pronouncements coming down the pike.

We are always looking for folks who think they would enjoy and benefit from being on the cutting edge of finance legislation and technical standards. If you think you might be interested, please feel free to contact me. I look forward to seeing you in Virginia Beach and hearing from you sooner if we can be of assistance.

Steven A. Solomon, Chair
Legislative and Standards Committee
Email: Steven.Solomon@Fairfaxcounty.gov

The **Awards and Membership Committee** received four applications for the scholarship provided to attend GFOA's Advanced Government Finance Institute in August 2006. The scholarship is awarded to Deborah King, Debt, Securities and Records Manager, County of Stafford. We will look forward to hearing about Deborah's experience at our annual meeting in the fall. Applications are now being received for scholarships for VGFOA's Certification Program classes. Scholarships are given to cover the cost of the course tuition and books and will be given to up to five applicants annually. To apply for the scholarship, complete the application form and e-mail it to Jo Ellen Kerns, Chair of the Awards and Membership Committee. The applications are online at the VGFOA website under the member services tab and are due by April 15th. The scholarship recipients will be announced at the June conference. The scholarships are awarded each year during the summer VGFOA Conference and cover the next 12 months, so members are encouraged to look at the schedule of courses offered in the Certificate program and submit scholarship applications for that year period.

Jo Ellen Kerns, Chair
Awards and Membership Committee
Email: jkerns@loudoun.gov

Featured Article – *Purchase Requisitions: To Automate or Not To Automate*

There are as many different purchasing processes as there are organizations. There are formal RFP and proposal processes, unsolicited salesmen calls and visits, phone calls to vendors, ordering from the web, going to the local office supply store. Then there are the methods of payment; receiving invoices in the mail, paying cash, using credit cards, both business and personal, local charge accounts.

And then it comes down to doing the accounting for all this. The headaches fall on the accounts payable clerk. Is it authorized? Who approves? Did we actually receive the goods or service? What account should be charged? You are buried under a myriad of forms and untold notes, memos, e-mails, phone calls, voice messages, to the purchasers, the managers and the vendors.

And probably the biggest issue is not knowing what you are committed to.

While the benefits of automating your purchasing process can be tremendous, is not something to be taken lightly. You can make the change easier by having good manual processes and controls in place before trying to automate. This is true regardless of what process you are trying to automate.

The basics of the automated requisition process include adding and maintaining suppliers, adding new requisitions, requisition approval workflow, requisition revisions and cancellations, converting requisitions to purchase orders, receiving process, invoice matching, and closing purchase orders and requisitions.

The benefits include:

- Knowing what you are committed to before the money is spent.
With a good purchase requisition system, you can provide your encumbrance reporting not only to the purchase order level, but to the requisition level. This gives you more visibility to know where you stand against your budgets and grants.

- Reducing or eliminating the paperwork
The cost of forms and paper is staggering, but pales to the cost of manpower in moving the paper, filing and archiving. In addition, the time wasted in waiting for paper approvals can cost in delays to projects, or increases in inventory because of time delays.
- Reducing the cost of your purchasing and accounts payable function
The amount of knowledge and time it takes to create a purchase order and then to process the vendor's invoice is huge and affected by the lack of knowledge in the subject of what's being purchased, not knowing prices and vendors.
- Controlling approved vendors
By requiring the use of the automated purchase requisition process, you can require the use of the approved vendors that have been added to the system.¹
- A greater deal of accountability
Having a complete audit trail of submission, review, and approval, it is easier to determine who is purchasing what.

The challenges are:

- There are always exceptions
You can't automate everything. And if you try, you will spend more time handling the exceptions than the rules. Set up processes for miscellaneous purchases, employee expense reports, capital expenditures.
- Training of the employees doing the requisitioning
The employees need to know how to use the system to get the products and services they want and need, to know the accounts to charge for these goods and service so you don't charge the cost of pencils to capital projects.
- Security
The employees must have limits to the access to the process, the vendors, and the accounts they can use. You also may have controls on who may set up suppliers.

In conclusion, automating your requisitioning process can be very rewarding to your organization, but if not planned correctly, or if you don't allow for the exceptions, it could cost more to automate that to leave the process manual. Put the controls in place in the manual process before you try to automate.

Ken Melanson

Public-Sector Solutions, a leader in enterprise fund financial management software for Government, not-for-profit, and research organizations.

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Interesting Facts.....



Ever wonder how many total members of GFOA there are nationally and in Virginia? How about number the type of memberships throughout Virginia? Here are some interesting GFOA membership stats....



Total GFOA Members	16,398
Total VA Individuals	479
Virginia Private Agencies	60
Virginia Public Agencies	419
Virginia Counties	39
Virginia Cities	46
Virginia Special Districts	52
Virginia Federal Agencies	6
Virginia State Agencies	4

Virginia Members Who Serve on GFOA Committees:

Budget Committee	Betty Meyer, Director of Budget, Chesapeake, VA Art Sky, Budget Manager, Loudoun County, VA
Cash Committee	Michelle Swartz, Investment Manager, Fairfax County, VA Terry Adams, Finance Director, Hanover, VA
Debt Committees	Leonard Wales, County Debt Manager, Fairfax County, VA
Economic Development	Patricia Phillips, Director of Finance, Virginia Beach, VA Robena Reid, Finance Economist, USDOT, Federal Transit Administration

Call for Volunteers – Committee on Vendor and Associates Relationship

We are in the organizational process for this new committee. This committee was formed to better serve our vendors and associate members as well as provide our membership with information related to the services provided by our vendors and associate members. With their sponsorship, exhibiting and programming at our conferences, they assist VGFOA in meeting its programming, training and budgetary goals. I welcome any suggestions on how we can create approaches to recognize their contributions to the Association.

On February 27 the following survey was sent to the Associate Membership via e-mail from VGFOA. If you have not completed the survey, please take a few minutes and take the survey.

Dear VGFOA Associate Members,

As the new VGFOA Associate Membership Relations Chair, I would like to find out how I can better provide you with the tools to communicate your services to the membership. Your support of the VGFOA is greatly appreciated by the VGFOA Board and the membership.

I am providing you with this survey as a method for you to communicate possible approaches to enhance communication between you and our membership. The survey is on-line at: <http://www.vgfoa.org/survey.html>. It will only take a few minutes to complete.

If you have any questions, please contact me at vivian.mcgettigan@fauquiercounty.gov.

In the next two months this committee will be reviewing the results of the survey to determine what we can do to provide better service to our membership. This information will be used to develop a section of the VGFOA website with vendor information sorted by services performed with contact information and web links. Our hope is that this information will assist our membership when researching options available and potential vendors when goods or services are needed. In addition, the vendors have been asked to provide us with suggestions for improvements, which the committee will consider in the future.

As always, there is a need for committee members both from our Association and the vendor and associates organizations. This Committee will work toward initiating and implementing the ideas put forth. Please e-mail me if you are interested in joining our committee.

Thank you,

Vivian McGettigan, Chair
Committee on Vendor and Associates Relationship
E-mail: vivian.mcgettigan@fauquiercounty.gov