

## **Budget Cuts Force Cancellation of Governmental Professional Development Conference (GPDC)**

Due to the lack of sponsorship from private companies and an unwillingness to commit to a \$100,000 guarantee to the Sheraton Waikiki Hotel, the Hawaii Chapter has decided not to hold the GPDC in August 2013.

The 16<sup>th</sup> biennial GPDC was held August 15 – 17, 2011, at the Sheraton Waikiki and was jointly sponsored by our chapter and the Aloha Chapter of ASMC. It offered approximately 24 CPEs and some of the featured speakers included Jay Cooper, Director, Civilian Resources and Business Affairs Division, Office of the Assistant Secretary of the Navy; Christopher Flaggs, Deputy Chief Financial Officer, U.S. Department of State; Mary Sally Matiella, Assistant Secretary of the Army, Financial Management and Comptroller; Mike McCord, Deputy Chief Financial Officer, U.S. Department of Defense; Dr. Jamie M. Morin, Assistant secretary of the Air Force for Financial Management and Comptroller; Nancy Zmyslinski, Deputy Director for Strategic Business Management, DFAS; and many others. The conference had revenues of \$130,575 and expenses of \$115,570. Both ASMC and AGA shared in the approximately \$15,000 profits and it was the primary source of revenue for both organizations.

For many years, since the 1970s, the conference had been growing in stature and attendance. However, this year was different. Sponsorship from private companies which accounted for \$20,000 to \$30,000 in revenues in 2011 was almost non-existent this year. For example, one

long time sponsor declined to sponsor our local conference and to concentrate on the national conferences only. Without adequate sponsorship, it was unlikely the GPDC could realize a profit without raising conference fees substantially.

Unfortunately, Department of Defense and other Federal agencies were facing drastic cuts over the remaining fiscal year 2013, which left almost no funds budgeted for training. Speakers, like those mentioned above, whose respective agencies would pick up the tab for their travel as they were able to include other Hawaii business, were non-committal this year. The inability to guarantee the booking of rooms and the lack of pre-registration from federal agencies made the commitment to the Sheraton Waikiki extremely risky. (Because of our past history with the Sheraton, we are able to obtain very favorable contract terms from them that we would not be able to obtain from any other Waikiki hotel.) ASMC was unable to commit any funding for the conference.

We'd like to express our appreciation to Education Chair Patrick Oki. He made numerous phone calls and other efforts to try and hold the conference this year. In place of the GPDC, he is now planning on holding three to five half day seminars on various topics, including ethics, during the summer. In order to cut costs, we are hoping to hold these on government facilities. We are still committed to providing our members with the opportunity to earn CPEs.

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## President's Message from Ross Okumura

Aloha AGA Hawaii Chapter Members,



Happy New Year!!! Hope that everyone had a wonderful Holiday Season and 2013 is starting off great for everyone. It is hard to believe that half of the AGA Calendar Year has already passed. Thank you all for your participation and attendance at our Luncheon Seminars; University Talk-Story; and other Chapter events. It has been a great pleasure to meet and chat with past members and greet new incoming members. Talking with all of you reemphasizes to me that the greatest strength of the Chapter are the members. I encourage everyone to continue to participate and attend Chapter events for the second half of our adventure (“year”). Take care and Best wishes in 2013.

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## Citizen-Centric Report

To obtain a snapshot of the AGA Hawaii Chapter, we invite you to take a look at the 2012 Citizen-Centric Report on the AGA Hawaii Chapter website at [www.agahawaii.org](http://www.agahawaii.org). The report contains interesting information on our membership, where they come from, what field they work in, and the certifications they have earned. For example, in 2012, nearly half of our members were made up of government workers, with the largest representation from the City and County of

Honolulu. There were 33 members from the City and County, 27 from Federal, and 21 from the State of Hawaii. About 25% of our members work for private industry and the biggest growth in membership came from student members that increased from 1 in 2011 to 28 in 2012. Also in 2012, almost half of the members worked in the auditing field with the most popular certification being the CPA (44), followed by the CGFM (32).

The report also provided the sources of revenue and expenses by type over the last three program years, 2010 – 2012. As one would expect, the biggest source of our revenue and expenses over the three years were our conferences. In addition, you can read about the Hawaii Chapter’s future outlook and challenges ahead.

A special thank you to Bowha Kang who helped put this report together.

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## It's Time to Renew Your AGA Membership



Have you renewed your AGA membership? Login with your AGA ID and password to [www.agacgfm.org](http://www.agacgfm.org) and click the gray billing button to renew online. Be sure to verify we have your current mailing information while you are there. Contact [agamembers@agacgfm.org](mailto:agamembers@agacgfm.org) if you have any questions. (Note: Paper invoices for the cycle April 1 – March 31 are being mailed this week. (Members of less than one year may have different renewal dates.)

## Nomination Committee Submits Slate of Officers and Directors For the Next Program Year, July 1, 2013 – June 30, 2014

Listed below are the proposed officers and directors for the next program year:

### Officers

Immediate past-president (currently President) – Ross Okumura  
President (currently President-elect) – Dallas Weyand  
President-Elect – Edwin Young  
Treasurer – Donn Nakamura  
Secretary – Bob Hatanaka

Nominations for Directors to serve two years from July 1, 2013 to June 30, 2015 are:

1. Ray Kim
2. Kerry Yoneshige
3. Dwayne Takeno
4. Cindy Yee

The following Directors are currently serving the first year of a two year term and will continue as Directors next year:

1. Mark Chandler
2. Milagros Handel
3. Wei Lum
4. Valerie Shintaku
5. Howard Todo
6. Mabel Yeung

We will have a total of 10 directors during the 2013-2014 year which is acceptable per the bylaws. If any member would like to be added as a nomination to the slate, please e-mail Mr. Dallas Weyand by March 1, 2013. Dallas's e-mail address is: [dweyand@kmhllp.com](mailto:dweyand@kmhllp.com). Please also contact Dallas if you are interested in serving on a committee or being a committee chair. The different committees are listed at the end of this newsletter.

Also, thanks to the Nominating Committee members: Dallas Weyand, Pamela Young, Warren Lum, Mark Chandler, Mila Handel, and Arnold Kishi for all their efforts and for the Officers and Directors who volunteered for new positions and/or are continuing to serve the Chapter in continuing positions.

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### Call for 2013 National Academic Scholarships



Are you - or a family member - pursuing a degree in a discipline such as accounting, auditing, budgeting, economics, finance, information technology or public administration? Apply for an AGA National Academic Scholarship today! Applications due by April 12, 2013. [Apply now](#) and take full advantage of your AGA membership.

## Recap of Recent Events

### September Luncheon Program



*Speaker Del Fujinaka and Program Committee Co-chair, Dwayne Takeno and part of the view from the Lokahi Room.*

The September luncheon program was held on September 27, 2012, at the PKF Pacific Hawaii LLP's Lokahi Learning Center, 1132 Bishop Street, Suite 2410. The featured speaker was Del Fujinaka, Managing Partner and certified Wealth Strategist at Pacific Rim Legacy Group. His presentation was titled, "What is Your Net?" According to his bio, "Del's mission is to bridge the gaps between each client's personal, corporate and estate planning issues in an unbiased way." Not only is he a financial expert, but Del also participates in inspirational speaking engagements. Those who attended this luncheon received many personal tips on managing their finances and their lives.

This luncheon marked the first time we utilized the Lokahi Learning Center for our luncheon meetings. In addition to the panoramic view, the location offers a more inexpensive alternative than many of the dining establishments in downtown Honolulu. Thanks to Past Chapter President, Patrick Oki, for offering the use of this location.

### Talk Story Event

The Hawaii Chapter sponsored another "Talk Story" Event with University of Hawaii accounting students on Monday, October 15, 2012, at 5:30 p.m. at the Shidler College of Business, Accounting Research Center. Student participants included a few from the UH West Oahu campus.

Thanks to many of our professional government worker members and others who attended the event, including Edwin Young, Mark Chandler, Pamela Young, Dennis Moore, Kerry Yoneshige, Ross Okumura, Mabel Yeung, and Robert Hatanaka, who also chaired the event.

There was food, soft drinks and great conversation! This was an excellent opportunity to let the students, many of whom are members, learn about opportunities for accountants in government service.



*Standing left to right: Dennis Moore, Joanna Gomes, Jennifer Ludwig and Kylie Puzzuto Sitting left to right: Robert Loo, Kurt Wakatsuki, Pamela Young, Kayla Nip*

## October Luncheon Meeting

The topic of our October 24, 2012, luncheon meeting was “Value Added Auditing” and it was presented by Edwin Young, City Auditor for the City and County of Honolulu and a AGA Hawaii Chapter Director, and Charisma Fojas and Troy Shimasaki, an auditor and senior auditor, respectively, with the Office of the City Auditor. The luncheon meeting was again held at the Lokahi Learning Center.

This is not the first time that the City Auditor’s office has made a presentation at one of our luncheon meetings. It is always great to hear from this award-winning office.



*(Office of the City Auditor) - Standing: Holly Hayden, Edwin Young, Troy Shimasaki and Darin Kawamoto. Sitting - Susan Hall, Van Lee and Charisma Fojas*

## Nov 7, 2012 Audio Conference

The topic of the audio conference was “Applying Data Analytics to Uncover Fraud” was presented by Stanley Goodman, Senior Administrative Analyst in the New York State Comptroller’s Office, Division of State Government Accountability, Medical Claims Unit. Working on the hypothesis that “dentists in New York City with higher than average percentage of vulnerable patients may be illegally paying patients to be seen in their offices and fraudulently billing Medicaid”, the project identified 35 dentists to review for possible fraud. Analysis included findings of more than one cleaning in six months, a number of fillings for the same tooth in the same patient, more than 24 hours of service provided in the same day, and other data that might indicate fraudulent billings. An interesting and pertinent topic as the costs of medical care continues to skyrocket. The Hawaii Chapter of AGA provides these audio conferences free of charge as a service to its members. CPEs can be earned by participating in the audio conferences.

November 29, 2012 Luncheon Meeting  
By Warren Lum

Our November Luncheon meeting was held on November 29, 2012 at the PKF Pacific Hawaii, Lokahi Learning Center. The featured speaker was Mr. Jelani Madaraka, U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity. Mr. Madaraka's speech topic was titled "Undue Financial Burden in Fair Housing and Civil Rights Cases". Mr. Madaraka began his presentation by showing a 10 minute video of



Seated at the table in the foreground beginning at the left and going clockwise is Kristi Ige, Carmen English and Casey Ratica of KMH LLP.; and Patrick Oki, Immediate Past President. Casey is a new member of our Chapter.

some hypothetical cases involving housing providers discriminating against people because of their disabilities. The Federal Fair Housing Act and Hawaii State Fair Housing laws prohibit discrimination based on disability by recipients of Federal financial assistance. Forms of illegal discrimination may include (i) failure to provide reasonable accommodations, (2) failure to allow or provide reasonable modifications, and (iii) failure to design and construct accessible housing.

A person is defined as being disabled when he or she has a physical or mental condition impairment that substantially limits one or more major life activities (such as seeing, walking, learning, hearing, breathing, speaking). Examples of disabilities can relate to (i) visual, (ii) auditory, (iii) mobility, (iv) AIDS & HIV, (v) alcoholism, (vi) past substance abuse and (vii) temporary disability due to accident or disability. The Fair Housing laws require housing providers to make reasonable accommodations in the rules, policies, practices, or services, when such accommodations may be necessary to afford such disabled persons equal opportunities. In addition, these laws require that housing providers allow residents to make reasonable modifications to units and common spaces in a dwelling. Examples of reasonable accommodations are (i) a reserved parking space to provide the shortest, safest distance to the unit for a person with mobility disability, and (ii) permitting a resident to have a service animal in a "no pets" building. Examples of reasonable modifications are (i) widening doorways for wheelchair access, (ii) installing grab bars in bathrooms, (iii) building a ramp or constructing a curb-cut, and (iv) installing a wheelchair lift.

Mr. Madaraka told the audience that an accommodation is reasonable if (i) it is related to the resident's disability needs, (ii) is not an undue administrative or financial burden for the housing provider, and (iii) does not fundamentally alter the housing and services the housing provider offers. All requests for reasonable accommodations and modifications must be considered and should be analyzed on a case-by-case basis. If the resident's request is not feasible or is an undue financial burden, the housing provider

(continued from page 6)

can suggest alternative accommodations. He defined an undue financial burden as a “significant difficulty, hardship, or expense”. The determination of an undue financial burden focuses on resources, circumstances, and financial status of the particular financial housing provider or recipient in relationship to the cost or difficulty of providing a specific reasonable accommodation or modification.

The Fair Housing Opportunity’s Golden Rule is to treat everyone equally. Some Do’s include (i) create a culture of non-discrimination by setting clear policies, procedures and training programs, (ii) consider all requests for accommodations and modifications promptly and take appropriate action, (iii) engage in an interactive process when a housing consumer’s request is received, (iv) consult with your supervisor, property management company, accountant, and/or attorney, (v) use common sense in practicing good faith and fairness to avoid problems and (vi) consider mediation as an alternative.

Mr. Madaraka’s one hour presentation was well received by our AGA Chapter members and it helped to broaden our learning horizon on the subject of Fair Housing. We thank Mr. Madaraka for volunteering his time and expertise to talk to us. We also want to thank AGA chapter director Mark Chandler of the U.S. Department of Housing and Urban Development for securing the speaker for us. The PKF Pacific Hawaii Lokahi Learning Center was very conducive for the luncheon program and the catered food from Kakaako Kitchen, including the chocolate brownies and lemon bars for dessert, was so delicious! Please join us for our next scheduled chapter luncheon meeting to be announced shortly.

#### January Luncheon Meeting

The January meeting featured presentations by Deneen Nakashima, tax partner at PKF Pacific Hawaii and the firm’s tax practice leader, and Cindy Fujii, a senior tax manager, also at PKF on the “2013 Tax Update”. The meeting took place on January 10, 2013, at the PKF Pacific Hawaii LLP’s Lokahi Learning Center. This was one of our best attended luncheons. Thanks to both of them for tackling such a difficult topic.



*Cindy Fujii, Dwayne Takeno, and Deneen Nakashima at the January luncheon.*

## Federal Employees Facing Furloughs

First our State employee members, then our City and County employee members, and now our Federal employee members are facing furloughs. Congress enacted the Budget Control Act of 2011 where a joint committee was to propose ways to reduce the deficit or there would be automatic and mandatory cuts that would add up to approximately \$1 Trillion from 2012 to 2021. As we all know, the committee failed, and sequestration is the result. After delays, sequestration is scheduled to take effect on March 1, 2013. The sequester, if it takes effect in March 2013, will result in about \$80 Billion in cuts over the next seven months. One proposal is for Federal workers to be furloughed one day a week for up to 22 weeks.

It's not just Federal workers that are affected. According to Senator Maizie Hirono in the February 12, 2013 issue of the StarAdvertiser, the cuts in federal funding will be devastating, especially for education and healthcare, in the State of Hawaii. The National AGA website, [www.agacgm.org](http://www.agacgm.org) has a link to an interesting article on the subject from the Federal Computer Week. The article, by one of its contributors, Richard Cohen, was published on February 12, 2013, and is titled, "16 Days and Counting, A Sequester Status Check". In addition to the sequester, the continuing resolution for fiscal year 2013 will expire soon. Unless Congress extends the appropriations by March 27, 2013, there could be a government shutdown on the horizon. And the fiscal year budget for 2014 has yet to be presented to Congress by the administration. Turn to the local and national news for more developments.

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## Membership Corner



### Marion M. Higa, State Auditor, Retires

One of our most prominent members and a frequent speaker at our professional development conferences, Marion M. Higa, State Auditor, State of Hawaii, retired on December 31, 2012. A member of the AGA Hawaii Chapter since March 1, 2001, she received the William R. Snodgrass Distinguished Leadership Award from AGA at the National AGA Conference in 2002. She also received an AGA National President's Award in 2009. According to a Star Advertiser article posted on November 30, 2012, Ms. Higa is retiring after 42 years with the auditor's office, 21 years as the State Auditor, and her retirement plans include traveling and helping her daughter and two grand-children while her daughter's husband is working in South Sudan.

During her years as the State Auditor, Ms. Higa's office issued and publicized numerous audits that exposed serious shortcomings in various state programs. Another Star Advertiser article, "Marion Higa set a High Bar" posted on December 1, 2012, said her retirement leaves "state legislators with the challenging task of finding a person with the integrity, grace and courage to fill the position. It will be no small task to replace the state's most trusted official." Congratulations on a job well done, Marion, and we wish you a long and happy retirement!

Mabel Yeung transfers to a new position. Mabel Yeung recently transferred to the U.S. Probation Office, District of Hawaii, as their Financial Administrator to manage the financial and budgetary functions. Mabel had worked for the Department of Health and Human Services, Office of Inspector General, Office of Audit Services, for 12 years. She joined AGA in 2001 and currently serves as a Chapter Director.



## Membership Corner (continued)

### New Members

Andrew Le is a consultant in Deloitte & Touche LLP's Audit and Enterprise Risk Services Advisory Practice in Honolulu, Hawaii. Andrew has consulting and auditing experience in internal audit, SSAE 16 audits, internal controls, business cycle controls, and information technology processes and controls. Andrew's industry experience includes financial services, healthcare, and government. He holds a Bachelor of Business Administration in Accounting and Management Information Systems from the University of Hawaii at Manoa. In his spare time, Andrew enjoys playing basketball recreationally. Andrew attended the AGA year-end celebration in July and was encouraged by various members of AGA to join the organization. He looks forward to networking with AGA members and the professional development opportunities that the organization will offer.

We welcome short bios from all our new members. In addition to Andrew, below is a complete list of the members who joined our chapter recently:

<u>Member Name</u>	<u>Employer</u>	<u>Sponsor</u>
Elizabeth Rider	City & County of Honolulu	
Sean Nakamura	Accuity LLP	Donn Nakamura
Ryan Horiuchi	Accuity LLP	Donn Nakamura
Jason Young	Deloitte LLP	Val Shintaku
Andrew Le	Deloitte LLP	Val Shintaku
Blake Isobe	N&K CPAs, Inc.	Ron Shiigi
Melissa Loy	N&K CPAs, Inc.	Patrice Sumikawa
Debra Mott	University of Hawaii – Manoa	
Kathleen Racuya-Markrich	Hawaii Office of Auditor	Marion Higa
Casey Ratica	KMH LLP	Dallas Weyand II
Sherilyn Sakamoto	University of Hawaii – Manoa	Bowha Kang
Deying Zhang	University of Hawaii – Manoa	Ross Okamura
Yudan Qian	University of Hawaii – Manoa	
Kylie Puzzoto	University of Hawaii – Manoa	Ross Okamura
Ryoko Lung	University of Hawaii – Manoa	
Jennifer Ludwig	University of Hawaii – Manoa	
Oanh Enos	University of Hawaii – Manoa	
Joanna Gomes	University of Hawaii – West Oahu	
Vanely Diaz	University of Hawaii – West Oahu	
Emily Jones	Booz Allen Hamilton	

As a valued member, you can impact the future of AGA by sharing your experience with your peers, your staff and others in your organization with an interest in government financial management. No one knows better how beneficial AGA membership is to advancing government accountability than current AGA members.

Did you know that a large percentage of new members join AGA simply because someone invited them? Consider sharing your AGA membership experience and get rewarded for doing so. Recruit a member today!

## Perpetual Scholarship Status

Here is an update on the AGA Hawaii Chapter \$50,000 perpetual annuity scholarship fund with the UH Foundation. A \$1,000 scholarship award was presented to Jonathan Miyasato in 2012. However, for the current period of July 2012 – June 2013, no distributions from the perpetual annuity were made available as the market value of the AGA annuity was NOT at least \$53,000 or 6% above the \$50,000 book value. The balance of the annuity for the quarter ending September 30, 2012, was \$51,813.16. AGA members may make donations/contributions to the AGA scholarship by mailing a check made payable to the “UH Foundation” to:

Unyong Nakata  
Shidler College of Business  
2404 Maile Way, A303f  
Honolulu, HI 96822

Credit card contributions are also welcome and can be made by calling Unyong at (808) 956-3597.

### ***Coming Events!!!***

*Here's a few of the events planned for the rest of the program year:*

*Talk Story with University of Hawaii Students – Spring Semester  
Tentatively scheduled for April 1, 2013 from 5:30 to 7:30 p.m.*

*Audio Conferences on March 13, 2013 on a topic relating to Governmental  
Financial Management and on May 22, 2013 on Ethics*

*Service Project: To be determined*

*Lunch Meetings in April, May, and June: To be determined*

*End of year Social: June 2013*

*Watch for flyers advertising the events!*

## 2012-2013 Chapter Executive Committee and Committee Chairs

### Officers:

President	Ross Okumura, Air Force Audit Agency
President-Elect	Dallas Weyand II, KMH LLO
Treasurer	Donn Nakamura, Accuity LLP
Secretary	Jennifer Ueki, SAIC Hawaii Energy Program
Immediate Past President	Patrick Oki, PKF Pacific Hawaii LLP

### Directors:

Mark Chandler	Valerie Shintaku
Milagros Handel	Mabel Yeung
Robert Hatanaka	Kerry Yoneshige
Howard Todo	Edwin Young
	Wei Lum

### Committee Chairs:

Audio Conferences	Carol Lee
By-laws & Policies	Cindy Yee
Community Service	Michelle Gibson
Conference	Patrick Oki
Luncheon Programs	Dwayne Takeno / Warren Lum
Media	Pamela Young
Membership	Dennis Moore
Networking	Valerie Shintaku
Newsletter	Kay Murakami / Jennifer Deleon
Nominations	Dallas Weyand II
Student Relations	Robert Hatanaka
Website	Milagros Handel
Citizen Centric Report/ Student Liaison	Bowha Kang

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Association of Government Accountants Hawaii Chapter

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