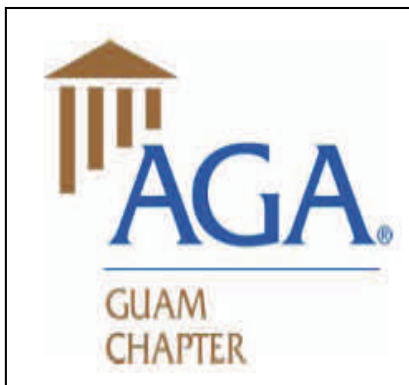


President's Message

Hafa Adai AGA Members!

Thank you all for celebrating CGFM month in March. There has been interest in the CGFM review course since the Guam Professional Development Conference in September 2016.

A number of people who attended the study group for Governmental Environment asked about bringing the review course to Guam and we are responding! We are in the very early stages but we hope we can arrange the review course for August 2017.

As most of you know, certain government agencies offer a 10% incentive pay for CGFMs. But more importantly, the CGFM is a unique certification that marks excellence in the government financial management profession. During CGFM month in March, we did not charge fees for CGFMs attending the membership meeting. During this CPE event, we were fortunate to have Bank of Guam's Joe Bradley give us the latest on Guam's economy.

This month, the Executive Director of the UOG Endowment Foundation, Janiece Sablan, will speak to us about the endowment funds that benefit the University of Guam.

Congratulations to our new AGA Guam Chapter officers who will join President-Elect Clariza Roque as

she leads our chapter during the 2017 – 2018 program year. In May, Clariza and Grace Edrosa, Treasurer-elect, will be attending the Sectional Leadership Meeting in Kansas City to prepare for their new roles in AGA leadership.

Pam Aguigui, Scholarship Chair, has been getting the word out to our accounting students that the applications for the Herminia Dierking Scholarships for UOG students and the AGA Guam Chapter Scholarships for GCC students are due May 31. Please help spread the word to our students!

A high five to Christian Rivera, Early Careers Director, and Andriana Quitugua for organizing a fun-filled AGA/GSCPA Student Mixer at UOG! Lots of students and professionals attended and there was a productive exchange of advice, knowledge, and experiences. The photo booth was too much fun!

The next AGA 5k planning meeting will be at Figaro on April 28 at 5:30PM. Please come and see how you can help support this cause spearheaded by Frances Danieli, Community Service Director. The 5K is scheduled for June 24, 2017 at the Chamorro Village. Your time will count towards your community service credit for the raffle to attend the AGA National Professional Development Training in July 2017, in Boston. The raffle will be held during our May meeting.

Please renew your memberships so you are not suspended.

Have a great day!

YUKA HECHANOVA

President



AGA Guam Chapter: Monthly General Membership Meeting



AGA Guam's Meeting Information

General Membership Meeting

Wednesday, April 26, 2017

11:30pm—1:00pm

LOCATION

Sheraton Laguna Guam Resort
Media Room

AGA Members - \$15

JAS Members and Association of Jr.

Accountants - \$10

Non-Members - \$25

AGA Guam Chapter

<http://aga.guam.net/>

[http://www.facebook.com/](http://www.facebook.com/agaguamchapter/)

[agaguamchapter/](http://www.facebook.com/agaguamchapter/)



**Congratulations to our
Monthly Lunch Winner:
Steven Terlaje**

April General Membership Meeting

Our guest speaker for our April General Membership meeting is **Ms. Janiece Sablan**, Executive Director for the University of Guam Endowment Foundation. Ms. Sablan will be speaking about how endowment funds have benefited the University of Guam.



AGA Guam Chapter Program Year 2017-2018 Officers

Congratulations to our new Officers for Program Year 2017-2018. The following have been elected to serve as your new Officers and will join Clariza Roque who will be our new AGA President.

President



Clariza M. Roque

President-Elect



Frances Danieli

Treasurer



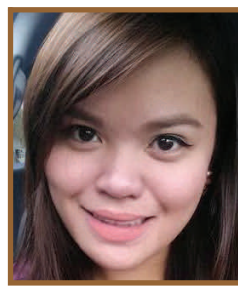
Reginald Diaz

Treasurer-Elect



Mary-Grace Edrosa

Secretary



Alexa Navarro



AGA Guam Chapter Officers:

Yukari B Hechanova, CPA, CGFM, CIA

President

yhechanova@guamopa.org

Josephine G. Villanueva, CPA, CGFM

Treasurer

josiegv@gmail.com

Artemio "Ricky" Hernandez, CGFM

Immediate Past President

artemiorh@gmail.com

Clariza Mae Roque

President-Elect

croque@guamopa.org

Florephine Dela Cruz

Secretary

P.O. Box 1124 Hagatna, Guam 96932

PH. (671) 475-0390; FX. (671) 472-7951; Email: agaguamchapter@gmail.com

AGA Guam Chapter: News

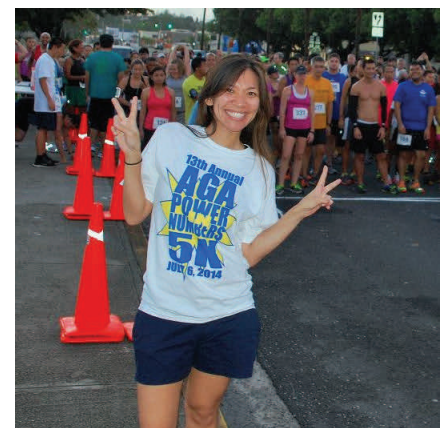
March General Membership Meeting



Our guest speaker, **Mr. Joseph Bradley**, Senior Vice President/Chief Economist and Business Continuity Officer of the Bank of Guam spoke on the economic outlook for Guam. Basically, because of the inability to determine the Trump Administration's policies on the economy, it is a wait and see scenario for Guam and the rest of the nation. Members were given one (1) credit hour of CPE for attending our March meeting.

16th Annual 5K Run/Walk Meeting

AGA Guam will hold its next 5K Run/Walk meeting on **April 28, 2017**. The meeting will be held at **Figaro Restaurant** at 5:30pm. Volunteers interested will assist in the behind the scene planning. If you have any questions, please contact Frances Danieli, Community Service Director. The 5K is scheduled for June 24, 2017 at the Chamorro Village. Your time will count towards your community service credit for the raffle to attend the AGA National Professional



SAVE THE DATE

**AGA 16th Annual
5K Run/Walk**

Saturday, June 24th



ARTICLES

GASB ISSUES OMNIBUS STATEMENT ADDRESSING A BROAD RANGE OF PRACTICE ISSUES

Norwalk, CT, March 20, 2017—The Governmental Accounting Standards Board (GASB) today issued guidance addressing several different accounting and financial reporting issues identified during the implementation and application of certain GASB pronouncements.

The issues covered by GASB Statement No. 85, Omnibus 2017, include:

- ⇒ Blending a component unit in circumstances in which the primary government is a business-type activity reporting in a single column for financial statement presentation
- ⇒ Reporting amounts previously reported as goodwill and “negative” goodwill
- ⇒ Classifying real estate held by insurance entities
- ⇒ Measuring certain money market investments and participating interest-earning investment contracts at amortized cost
- ⇒ Timing of the measurement of pension and other postemployment benefits (OPEB) liabilities and related expenditures recognized in financial statements prepared using the current financial resources measurement focus
- ⇒ Recognizing on-behalf payments for pensions or OPEB in employer financial statements, and
- ⇒ Simplifying certain aspects of the alternative measurement method for OPEB.

Statement 85 also addresses issues similar to those covered in Statements No. 78, Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans, and

No. 82, Pension Issues, including:

- ⇒ Presenting payroll-related measures in required supplementary information by OPEB plans and employers that provide OPEB
- ⇒ Classifying employer-paid member contributions for OPEB, and
- ⇒ Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans.

The provisions of Statement 85 are effective for periods beginning after June 15, 2017. Earlier application is encouraged.

The Statement is available on the GASB website, www.gasb.org.

SIX LEADERSHIP MISTAKES TO AVOID. These errors are leaving too many firms behind the change curve.

By Jennifer Wilson

Lead, follow, or get out of the way.

You likely have come across that saying before. Do you know where it comes from? Some people believe Gen. George S. Patton said it (he didn't, but he reportedly said something similar). Others have reported that Thomas Paine came up with it (not true). It was used as the title for a 1981 biography about Ted Turner, but most people have never heard of that book.

Whatever its origin, “lead, follow, or get out of the way” has been running through my mind a lot lately—in meetings with clients, discussions with fellow consultants, and when listening to next-generation leaders assessing our profession. I've thought about it so much that it feels like the basis for an important message that established CPA leaders need to hear. And that message is this: ***Critical change is everywhere! Either lead your firm through it, follow the change ideas of others, or step aside.***

I cannot remember a time when there were so many imperative changes happening at once in our profes-

sion. Today, inside your organization, you face pressure to drive change in at least five areas:

Talent: Changes include addressing demographic shifts, impending retirements, different generational motivators, the need for more inclusion and diversity of thought and experience, the challenge to develop your people at a faster pace, the move to continuous, more efficient feedback systems, the need to identify and develop advisory talent earlier, the move to “relax” the work environment, and shifts in recruiting strategies and technologies, to name just a few.

Technology: This area is so huge we can't list everything, but consider these “big 3” areas: (1) technologies to improve service delivery efficiency (scan and auto-populate for tax, data extraction technologies for audit); (2) smarter technologies to manage firm functions (CRM, remote access technologies to support a mobile and remote workforce, enhanced social applications); and (3) technology consulting support for clients (cybersecurity, service organization control (SOC) reports, ERP support, ERM, etc.).

Client experience: Firms are starting to develop smarter internal data to serve clients on a more customized basis, using technology, data analytics, and more dedicated resources focused on “client touch.” The goal is to provide clients with the right service at the right time. And firms are recognizing that they can't serve next-generation clients the way they serve the current ones. Virtual services, cloud platforms, and digital media are examples of changes that fit here.

Product/service mix: The move to mitigate any threats to compliance (mainly due to technology) by building up your firm's advisory services, building more value into your compliance offerings, and delivering new value through a wide range of consulting offerings.

Business model: This refers to many things, including the following:

ARTICLES

- ◇ The trend of moving to a truly flexible work environment where employers don't care about the time or place work is completed.
- ◇ The shift toward more packaged service offerings priced strategically and not by the hour.
- ◇ Changes to partner compensation to build a high-performance, results-focused leadership team.
- ◇ Shifts in deferred compensation programs to ensure the long-term sustainability of the firm.

That's a lot to deal with, so the first step in addressing these issues is recognizing that you cannot tackle all of these changes at once. You need to choose no more than two or three initially and work on those, adding to your initiatives as you progress. Perhaps your firm is already embracing change in some of these areas. If you're on the path and your firm has two or three major change initiatives from this list underway, great work!

Unfortunately, I encounter firms every day that are woefully behind the change curve because they are making one or more of the six fundamental leadership mistakes. To avoid their fate, leaders in your firm need to ensure they are not:

Uninformed: In too many firms, partners are unable to make or prioritize the list of critical changes outlined above because they aren't attending conferences, reading trade publications, or following trends as closely as they should.

Mired in politics: Leadership teams have no energy or capacity to compete externally because they are too busy with infighting, factions, internal politics, triangulation, and other emotional overhead that causes them to compete internally.

Too bureaucratic: Partner groups or service line leaders take too long to decide on a change. They debate and over-analyze instead of driving change. They have involved too many partners for too long, including making the huge mistake of deferring to leaders who won't be with the firm

in five years. Stop focusing on producing a perfect plan agreed to by 100% of the leaders. It is more important to be nimble, adaptive, and progressive.

Too nice: Too many leaders can't make the tough decisions necessary to stop doing something so the firm can start doing something else. This includes being unwilling to make difficult personnel decisions to put the right people in the right spots so that change can succeed and the firm can progress. Stop waiting until everyone agrees so that no one feels uncomfortable or "left out."

Too selfish: Too many partners are unwilling to invest in the future because they want to keep earning at levels beyond their wildest dreams until retirement, when the firm can start making real investments for change. Many of these same leaders are unwilling to adapt or change because it would take too much personal effort or allow someone else to be the "new expert" in something.

Lacking the skills to manage this kind of change: Some leaders simply don't know where to start or how to manage the changes needed.

These leaders lack the gifts needed to take the firm to the next stage of growth and address these dynamic market forces we're facing. These are not necessarily terminal conditions, but they cannot persist if you're going to succeed, which leads me back to my original message. To ensure your firm's long-range success (or prepare your firm to be attractive for buyout), you need to do one of the following:

Lead: Have your partner group read this column and speak honestly about any of these leadership mistakes in your group. Commit to change behavior. If you don't know how, engage an outside expert to help. Then, identify two to three change initiatives from my list (or your own) and implement them in an unstoppable manner. Gather the right group of change-ready leaders. Be relentless. Make it happen!

Follow: Stop resisting change in your firm. Stop complaining. Set aside self-

ish interests and do what's best for the greater good. Encourage those who work for you to participate in whatever change your leaders are driving. Remove any drag you've been bringing to the process and allow the firm's change initiatives to succeed.

Get out of the way: Talk to your firm's leader or executive committee about your inability or unwillingness to make the changes needed. Discuss options for operating outside the change (without inhibiting it) or make plans to transition out of your current role, if you are in a key leadership position. This may also include planning to transition out of the practice altogether. **When you don't lead or follow, you resist. And resistance reduces firm profitability and sustainability!**

Are you going to lead, follow, or get out of the way? Decide now so your firm can be the dynamic, market-ready, competitive place that next-generation talent and clients deserve.

www.journalofaccountancy.com

What's the difference between an accountant and a lawyer?
The accountant knows he's boring.

ACCOUNTING

I Can Explain It
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ACCOUNTANT
TRY NOT TO BE
INTIMIDATED
BY MY SUPERIOR
INTELLIGENCE



AGA Guam Chapter: Scholarship Opportunities

Herminia Dierking Scholarship

University of Guam



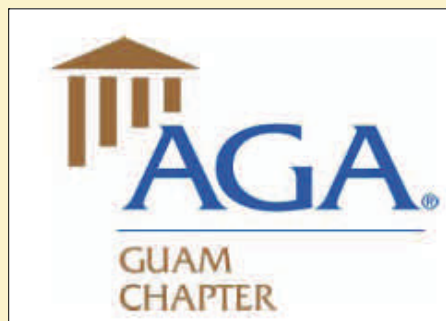
The Hermina Dierking Scholarship program is sponsored and funded jointly by the Guam Association of Government Accountants (AGA) and private sector contributors in recognition of the achievements of the late Hermina H. Dierking, a Legislator, Educator, Humanitarian, Past President of AGA Guam Chapter, Past Regional Vice President of AGA Pacific Rim, and a past recipient of the AGA National Chapter Service award. This Scholarship is open to students who intend to pursue a Bachelor's Degree in Accounting, Business Administration, Finance and Economics or Public Administration at the University of Guam (UOG). Applications are available for this Scholarship .

AGA Guam Chapter Scholarship

Guam Community College

The AGA Guam Chapter Scholarship program is sponsored and funded jointly by AGA and Private sector contributors in order to “advance government accountability” and transparency in all government levels by reaching out to all accountability professionals from Accounting Technicians to Accountants. This Scholarship is open to students who intend to pursue an Associate's Degree in Accounting at the Guam Community College (GCC). Applications are available for this Scholarship.

CONTACT: Please see Pam Aguigui CM, Scholarship Chair or any AGA Officers for applications and information. Applications are due on MAY 31, 2017.



AGA Guam Chapter: CGFM News



The Mark of Excellence in Federal, State and Local Government

Certified Government Financial Manager (CGFM) is a professional certification recognizing the unique skills and special knowledge required of today's government financial managers. It covers governmental accounting, auditing, financial reporting, internal controls and budgeting at the federal, state and local levels.

Interested in attaining the CGFM Certification?

If you are interested in becoming a CGFM, your AGA Guam Chapter offers CGFM Scholarships by providing reimbursements for your registration and test fees when you pass the CGFM examination within one (1) year.

The Chapter also offers and provides CGFM review materials to its members by borrowing the Chapter's study guides. The Guam Chapter may sponsor a CGFM preparation course on Guam and also promote study groups to assist its members.

Maintaining CGFM Certification

To retain the CGFM certification, all CGFM's must adhere to the AGA's Code of Ethics. In addition, to continue using the CGFM designation after their name, CGFM's must be in an active status.

Active Status

To maintain the CGFM certification in an active status, CGFM's are required to:

- Pay the CGFM renewal Fee by the due date every year.
- Complete at least 80 hours of Continuing Professional Education (CPE) every two years in government financial management topics or related technical subjects (within the designated two-year cycle).
- Maintain and, if requested by AGA, provide detailed information on CPE hours completed.

By submitting their annual renewal payment, CGFM's affirm that they have and will continue to abide by AGA's Code of Ethics and that they have fulfilled the minimum CPE Requirements.

Questions? Please Contact: **Jose (JoJo) Guevara, III** CGFM for more information.

CGFM Practice Examination Promotion

The AGA Guam Chapter will fund the cost of 15 CGFM Practice Exams. Members who purchased the CGFM online practice exams will be reimbursed by AGA Guam Chapter for the cost of the practice examination subject to certain qualifications. An application form is also required. The CGFM Practice Exam Promo offer will expire on June 30, 2017. For more details visit the AGA Guam Chapter website under the "Certification" tab at <http://www.aga.guam.net>.

What is the CGFM Practice Exams?

A new product from AGA is available! Supplement your preparation for the CGFM examinations by taking the online CGFM practice examinations. Apply the concepts you've learned, identify the areas where you'll need additional preparation and figure out the pace you'll need to complete the 115-question examination within the allotted time.

There are three practice examinations – each corresponding to an actual CGFM examination. Upon purchasing a CGFM practice exam, you'll have 12 months of online access to the exam. You can take the practice exam as many times as you want, within this period.



AGA Guam Chapter has CGFM Study Guides members can to borrow. Contact Jojo Guevara at jojo_guevara@hotmail.com.

AGA Guam Chapter: : CGFM INCENTIVE



CGFM Incentive

Public Law 33-18 (Section 1 Subsection (d) of § 6235, Article 2, Chapter 6, Title 4, Guam Code Annotated)

Provides a pay incentive to employees of Government of Guam Line Agencies, the Office of Public Accountability, the University of Guam and the Guam Department of Education who have obtained Public Accountant, Government Financial Management, Fraud Examiner and Internal Auditor Certifications, pursuant to recognized national standards, to preserve the Government of Guam's ability to recruit and retain such professionals.

- The Association of Government Accountants (AGA) is the organization that establishes the criteria for the Certified Government Financial Manager (CGFM) exam and the ethical standards that CGFMs must adhere to.

All government of Guam line agencies, the Office of Public Accountability, the University of Guam, and the Guam, Department of Education employees who have obtained a nationally recognized certification as a Certified Public Accountant (CPA), Certified Government Financial Manager (CGFM), Certified Fraud Examiner (CFE), or Certified Internal Auditor (CIA), shall be entitled to received a one-time certification pay differential. A Guam licenced CPA shall be eligible to receive an additional 15% increase. The CGFM, CFE, and CIA which are nationally recognized but not required to be Guam licensed shall be eligible to receive an additional 10% increase.

Public Law 33-222

Section 1 Subsection (d) of § 6235, Article 2, Chapter 6, Title 4, Guam Code Annotated, is hereby repealed and reenacted to read:

"(d) Certification Pay Differential, Established.

(1)All government of Guam line employees, the Office of Public Accountability, the University of Guam, and the Guam Department of Education employees who have obtained a nationally recognized certification as a Certified Public

Accountant (CPA), Certified Government Financial Manager (CGFM), Certified Fraud Examiner (CFE), or Certified Internal Auditor (CIA) shall be entitled to receive a single certification pay differential.

(2) The pay differential shall be applicable on ly to a single certification accomplished by the employee, whichever is higher, and will be processed based on only one (1) of the following, depending on the highest certification accomplished: (A) a Guam licensed CPA shall be eligible to receive a fifteen (15%) increase: or (B) the CGFM, CFE, and CIA, which are nationally recognized but not required to be Guam licensed, shall be eligible to receive a ten percent (10%) increase; o r © if the employee is a Guam licensed CPA prior to the enactment of this Act, Subsection (2)(A) of this Subsection shall be applicable only.

(3) The pay differential shall apply and is limited to a single certification, and shall not be used in any calculation of the rate of pay with respect to overtime, and shall not be considered pay or compensation in any calculation of enhanced compensation otherwise provided by law.

(4) The employee salary must be commensurate with the currently approved government of Guam pay/wage scale. Any deviation from the currently approved government of Guam pay plan shall not qualify for the differential pursuant to this Subsection (d).

(5)The Director of Administration and the President of the University of Guam shall implement a single certification pay differential for all the CPA, CGFM, CFE, and CIA who are active in their area of certification. Accounting, auditing, budgeting, and management professionals who have a national or Guam board certification shall be entitled to the certification pay differential provided in item (1) of this Subsection, calculated at the rates above, added to the base pay to rectify an inequity in certification pay."



AGA Guam Chapter: Training Opportunities

2017 ERM Workshop:

Beyond Compliance, Driving Organizational Value

June 7 | 8 a.m. – 2 p.m. | Washington | 5 CPEs

Co-hosted by AGA and AFERM



Please visit www.agacgfm.org for more information on the training opportunities being offered by AGA. AGA training events include conferences and webinars.



Congratulations

MONTH OF APRIL



<i>Name</i>	<i>Dept/Agency/Office</i>	<i>Number of Years</i>
Yvonne M. Cruz	Guam Waterworks Authority	1 year
Bryan H. Iriarte	Guam Waterworks Authority	1 year
Wilfredo T. Magdalera	Guam Waterworks Authority	1 year
Elizabeth F. Pendon	Guam Waterworks Authority	1 year
Josephine O. Sanalila	Guam Waterworks Authority	1 year
Sandra J. Santos	Guam Waterworks Authority	1 year
Solae M. Yanto	Guam Waterworks Authority	1 year
Filipinas E. Torres	Guam Power Authority	2 years
Maria Thyrza DC Bagana	Office of Public Accountability	4 years
Merlita Azicate	University of Guam	5 years
Paulita C. Beltran	University of Guam	5 years
Esperanza S. Carlos	University of Guam	5 years
Nicetas L. Datugan	University of Guam	5 years
Euglenn V. Diaz	Tokio Marine Pacific Insurance Ltd.,	5 years
Abigail Q. Reyes	Guam Economics Development Authority	6 years
Jerrick G. Hernandez	Office of Public Accountability	8 years
Doris Flores Brooks, CPA, CGFM	Office of Public Accountability	16 years
Peter Flores Aguon, CGFM		31 years
Jose L. Cepeda, CGFM Retired		37 years

On Your Anniversary



AGA Guam Chapter: Thank you to our 5K Run/Walk Sponsors

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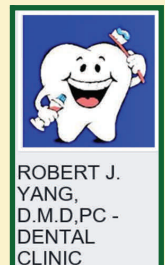
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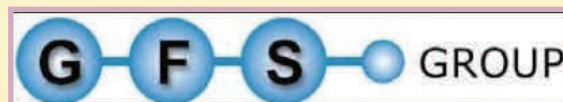
Dan S. Fitzgerald



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Randy Wiegand



AGA Guam Chapter: About Us...

Our Mission

Advancing Government Accountability

Our Goals

To serve professionals in the government financial management community by:

- providing quality education
- fostering professional development certification; and
- supporting standards and research to advance government accountability

Who We Are

The AGA Guam Chapter serves professionals in the government financial management community by providing quality education, fostering professional development and certification, and supporting the standards and research to advance government accountability.

Chapter Executive Committee Members

Programs /Technical Meetings

Director: **Vincent Duenas**, MPA
email: vincentd@guamwaterworks.org

Education

Chair: **Rodalyn May A. Gerardo**, CGFM, CIA, CPA, CGAP
rgerardo@guamopa.org

Professional Certification

Chair: **Jose Guevara III**, CGFM;
jojo_guevara@hotmail.com

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Communications/Website

Webmaster: **Artemio Hernandez**, CGFM
artemiorh@gmail.com

Membership & Chapter Development

Chair: **Debbie Ngata**
debbie.ngata@gu.ey.com

Early Careers

Chair: **Christian S. Rivera**
crivera@guamopa.com

Student Representative

Von Alcoran, JAS President
email: vonalcoran@hotmail.com

Accountability

Chair: **Maripaz N. Perez**, CGFM, CGAP
mnperez@gpagwa.com

Community Service

Chair: **Frances Danieli**, CGFM
danieli6@guam.net

Chapter Recognition Program

Chair: **Taling Taitano**, CPA, CGFM
tmtaitano@gmail.com

Awards

Chair: **Vincent Duenas**, MPA
email: vincentd@guamwaterworks.org

Scholarship

Chair: **Pamela Aguigui**, CM
Email: paguigui@gpagwa.com

Research/Standards

Chair: **Christopher Wolseley**, CA
cwolseley@deloitte.com

By-Laws and Procedures:

Chair: **Llewelyn Terlaje**, CGAP;
email: lterlaje@guamopa.org

Historian:

Jerrick Hernandez
email: jhernandez@guamopa.org

