

Tennessee • 31st Annual Government Auditing Training Seminars



Course Calendar and Registration Form

April-May, 2012

Sponsored by:

National Association of State Auditors,
Comptrollers and Treasurers

Tennessee Comptroller of the Treasury,
Department of Audit





STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
SUITE 1500
JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-0269

February 2012

Fellow CPAs and Colleagues:

Each year brings unique challenges and opportunities for the auditing and accounting profession – 2012 will be no exception. As in the past, we are pleased to bring you the Tennessee Training Seminars, which are designed to provide continuing professional education to keep you up-to-date on the latest standards, technologies and best practices. This will be the ***thirty-first year*** for these annual seminars, a testament to their value for accounting professionals across the state. We hope you will be able to join us!

This year's training agenda will include a variety of topics of relevance to your professional endeavors:

- A review of emerging issues in governmental accounting and auditing, including developments from Congress, the U.S. Government Accountability Office, the U.S. Office of Management and Budget, and the Recovery Accountability and Transparency Board.
- A session about the new Investigative Unit of Tennessee's Department of Audit.
- Case studies of fraud, waste and abuse in a Tennessee public utility district and local governments.
- An overview of state-specific ethics laws and rules.
- A walk-through of the new Clarity Standards from the American Institute of Certified Public Accountants.
- An update on activities of the Governmental Accounting Standards Board.
- An update on the 2011 revision of *Government Auditing Standards*.
- An update on single audit/A-133 issues.

Frank Crawford, president of Crawford & Associates, will be this year's primary speaker. Frank brings a wealth of practical experience to his seminars, and we are very pleased to have him back this year. The two-day seminars will also feature speakers from the Tennessee Department of Audit, including Rene Brison, Daniel Porter, Kevin Huffman, and Christy Tennant. Donald Mills from the Tennessee State Board of Accountancy will present a session on Tennessee-specific ethics laws. Also included on the program is Kinney Poynter, executive director of the National Association of State Auditors, Comptrollers and Treasurers.

The sessions will provide up to 16 credits of NASBA-approved continuing professional education at a very affordable price. Sessions will be held in four locations across the state: Nashville, Jackson, Chattanooga, and Morristown.

Preparing you to efficiently and effectively perform audits of governmental entities is our goal. We hope you will join us for information-sharing, networking and continued learning at the 2012 Government Auditing Training Seminars.

Sincerely,

Richard V. Norment
Assistant to the
Comptroller for the
Department of Audit

James R. Arnette, Jr.
Director, Division of
County Audit

Dennis F. Dycus
Director, Division of
Municipal Audit

Arthur A. Hayes, Jr.
Director, Division of
State Audit

The Schedule

DAY ONE

8:00 - 8:30 a.m.

CONTINENTAL BREAKFAST (provided)

8:30 - 8:35 a.m.

OPENING REMARKS / INTRODUCTIONS

- R. Kinney Poynter, CPA, Executive Director, NASACT

8:35 - 9:25 a.m.

EMERGING ISSUES IN GOVERNMENT ACCOUNTING AND AUDITING

Like many in the past, this year is shaping up to be another year of change. This session will provide an overview of recent economic, industry, regulatory and professional developments that impact auditors of state and local governments. Included in this session will be developments from Congress, the U.S. Office of Management and Budget, the Government Accountability Office, the Recovery Accountability and Transparency Board, and other regulatory bodies.

- R. Kinney Poynter, CPA, Executive Director, NASACT

9:25 - 10:15 a.m.

FRAUD CASE STUDY OF A TENNESSEE UTILITY DISTRICT / NEW INVESTIGATIVE UNIT OF THE DEPARTMENT OF AUDIT

Tropical vacations for employees, extravagant gifts for management, and a vehicle trade-in policy that is amazingly generous (and ultimately criminal). Discover the significance of qualitative vs. quantitative as investigators present a case study of fraud, waste and abuse in a public utility district. Also, learn about the consolidation of the investigative function of the three audit divisions – State Audit, County Audit and Municipal Audit into a single Investigative Unit of the Department of Audit and how these changes could affect you!

- L. Rene Brison, CPA, CFE, Investigative Audit Manager, Division of Municipal Audit, Tennessee Department of Audit
- Daniel Porter, CFE, Investigative Auditor, Division of Municipal Audit, Tennessee Department of Audit

10:30 - 11:20 a.m.

NEW DIVISION OF LOCAL GOVERNMENT AUDIT / FRAUD IN TENNESSEE LOCAL GOVERNMENTS

Because of the sheer number of government employees responsible for various aspects of financial transactions, opportunities abound for fraudulent activity within the government environment. This session will explore actual fraud cases detected in Tennessee local governments, discuss related internal control deficiencies, offer ideas for detection, and provide some insight into the minds of the perpetrators.

- Kevin Huffman, CPA, CGFM, CFE, Audit Manager – Investigations, Division of County Audit, Tennessee Department of Audit
- Christy Tennant, CPA, CGFM, CFE, Mid East Investigator, Division of County Audit, Tennessee Department of Audit

11:20 a.m. - 12:10 p.m.

STATE SPECIFIC ETHICS FOR TENNESSEE CPAs

Current laws and rules regulating the practice of CPAs in Tennessee will be discussed with emphasis on avoiding mistakes which could lead to disciplinary action by the Tennessee State Board of Accountancy.

- Donald A. Mills, CPA, CFE, Investigator, Tennessee State Board of Accountancy

12:10 - 1:00 p.m.

LUNCH (provided)

1:00 - 4:35 p.m.

A WALK-THROUGH OF THE AICPA'S CLARITY AUDIT STANDARDS: WHAT YOU NEED TO KNOW

The AICPA has recently released their long-awaited Clarity Audit Standards, with the effective date rapidly approaching. This session will brief participants on exactly what the clarity standards are trying to accomplish and will review substantive changes to existing audit standards. The SASs will fade away and the auditing standards codification will come to the forefront, and we will walk through it all. Implementation tips will be provided, along with some interactive case studies and tools for use by the participants.

- Frank Crawford, CPA, President, Crawford & Associates

DAY TWO

8:00 - 8:35 a.m.

CONTINENTAL BREAKFAST (provided)

8:35 - 11:20 a.m.

GASB UPDATE: WAIT UNTIL YOU SEE WHAT'S COMING!

Just when you thought it might be safe to wade back into the accounting waters, here come the sharks again! A number of changes in accounting principles for state and local governments are either here and effective, soon to be here, or at least in the planning phase, and wow, these principles could and will change much of what we report today! Fund balance reclassifications were only the start, with pension reporting proposed to change (and almost certainly all other post-employment benefits too), a new financial statement on its way, and new net position elements and definitions proposed. We will swim through them all during this session. Bring your lifejacket, as you may need it to stay afloat, I mean afloat!

- Frank Crawford, CPA, President, Crawford & Associates

11:20 a.m. - 12:10 p.m.

IMPLEMENTATION ISSUES FROM RECENT GASB STANDARDS

Several GASB standards recently went into effect, but a number of implementation problems seem to have hindered the consistent application of these standards. This session will review some of the implementation issues that have arisen from recent standards, and look to the GASB's *Comprehensive Implementation Guide Q* and *A's* for answers. In addition, we will review some selected questions and answers related to unique and commonly misapplied accounting principles, and use case study illustrations to reinforce the material.

- Frank Crawford, CPA, President, Crawford & Associates

12:10 - 1:00 p.m.

LUNCH (provided)

1:00 - 1:50 p.m.

IMPLEMENTATION ISSUES FROM RECENT GASB STANDARDS (cont.)

1:50 - 3:45 p.m.

YELLOW BOOK UPDATE: FOCUSING ON CHAPTER 3 – THE GENERAL STANDARDS

Don't look now, but a new Yellow Book is in town. While many of the changes to the Yellow Book in its most recently released version are not terribly substantive, the general standards outlined in Chapter 3 have changed rather significantly, at least in form. The question we will delve further into in this session relates to whether or not the general standards have changed in substance, in addition to their change in form. We will focus on auditor independence issues and utilize the recently released "Auditor Independence Evaluation Toolkit" issued by the AICPA's Government Audit Quality Center. This session is sure to cause some lively discussion, so don't miss it!

- Frank Crawford, CPA, President, Crawford & Associates

3:45 - 4:35 p.m.

SINGLE AUDIT / A-133 UPDATE

We will close the day with a quick update on what is happening at OMB and the Single Audit. Rumor has it that OMB is soon to revise A-133. This session will take a peek at some of what might change, and provide the participants with a quick update of current issues related to the Single Audit, including a review of any changes in the recently released *Compliance Supplement*.

- Frank Crawford, CPA, President, Crawford & Associates

Register using this form, [or register online at www.nasact.org](http://www.nasact.org) under the "Conferences and Training" tab.

Registration Form

Name _____

Badge Name _____

Title _____

Organization _____

Address _____

Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____

E-Mail _____

FEE: \$305 per person. This fee includes continental breakfast, lunch, and all session materials. Please let us know if you have any special dietary needs.

Please send a separate form for each attendee.
Mail to address below or fax to (859) 278-0507.

Payment Method

Choose one:

Check enclosed

Credit card

Circle one: (Visa MC Amex Disc)

Card No. _____

Exp. Date _____

Name on Card _____

Signature _____

Refund/Cancellation Policy: Refunds will be given for cancellations, minus a \$25 fee. **All fees must be paid prior to attending any session.**

Make check payable to NASACT and mail to: NASACT,
449 Lewis Hargett Circle, Suite 290, Lexington, KY 40503.

For additional information about this event, call (859) 276-1147
or visit www.nasact.org.

Choose one of the following session dates:

April 24-25, Chattanooga, Tennessee
University of Tennessee – Chattanooga
University Center, Raccoon Mountain Room

April 26-27, Nashville, Tennessee
One Century Place Conference Center
(formerly the Willis Conference Center)
26 Century Boulevard

May 7-8, Morristown, Tennessee
Walters State Community College
Student Services Building
International Lyceum Auditorium

May 10-11, Jackson, Tennessee
Doubletree Hotel
Andrew Jackson Ballroom

NOTE: Participants should make their own arrangements for lodging. No location changes are allowed within ten days of any session.



The National Association of State Auditors, Comptrollers and Treasurers is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN, 37219-2417 or by visiting the web site: www.nasba.org.

Program Objective: Following this training, attendees will:

- Be aware of recent developments from U.S. OMB, U.S. GAO and the RATB.
- Know how to determine, detect and defend against fraud.
- Understand ethics laws and rules specific to Tennessee.
- Understand changes resulting from the AICPA's Clarity Audit Standards Project.
- Be aware of recently implemented standards from GASB and understand common implementation issues.
- Be aware of changes to Government Auditing Standards.
- Be aware of changes to the Compliance Supplement and potential single audit issues that may arise in the future.

Level of Knowledge: Overview.

Prerequisite: General understanding of governmental accounting and auditing standards.

Advance Preparation: No advance preparation is required.

CPE: 16 credits.

Delivery Method: Group-Live.

Complaint Resolution Policy: Complaints may be directed to: NASACT, 449 Lewis Hargett Circle, Suite 290, Lexington, KY 40503, (859) 276-1147.