

February 2016 Volume 9, Issue 10



## President's Message

Hafa Adai AGA members!

At our January 2016 General Membership meeting, we presented the awards for the Best GovGuam Citizen-Centric Report (CCR) Contest with the Platinum Award presented Office of the Attorney General, the Gold Award to the University of Guam, and the Bronze Award to the Guam Power Authority. We thank the representatives that were present at the meeting and look forward to the continued successes in upholding transparency and accountability in our government through the creation of the CCRs.

During the month of February, we have continued our 45th Anniversary celebration with some exciting events for our members and interested individuals. Our Education Chair Rodalyn Gerardo and Co-Chair Reginald Diaz organized the Cyber Security & Its Impact on Businesses half-day training event at the Gloria B. Nelson Public Service Building in Fadian, Mangilao on Friday, February 19th conducted by Melvyn Kwek, Chief Information Technology Officer at the Guam Power Authority which qualified for 4 CPE hours. With over two dozen in attendance, it was a successful event!

The AGA Guam Chapter 3rd Annual High School Essay Competition was recently announced by the Early Careers Committee lead by Dr. Doreen Crisostomo as Chair, and Lorbea Palaming and Zeny Asuncion-Nace as Co-Chairs. The topic for this year's competition is, "Government Accountability for Gen-Zers: How my generation can promote and uphold government transparency and accountability on Guam." We like to thank the individuals that

agreed to be judges for this worthwhile event:

Vice Speaker Benjamin J. F. Cruz – Chairman of the Guam Legislature Committee on Appropriations and Adjudication.

Doris Flores Brooks – Public Auditor of Guam

Taling M. Taitano – AGA National Regional Vice President and Deputy Superintendent of Administration and Finance at the Guam Department of Education

Zeny Asuncion-Nace – Comptroller at the University of Guam and Co-Chair of the AGA Guam Chapter Early Careers Committee

Please spread the word so that the successes of the past two competitions can continue! The due date for submitting essays is Friday, April 1, 2016.

Our Guest Speaker for our February 2016 General Membership meeting is Maggie Ralbovsky, CFA who is a Managing Director with Wilshire Associates who will be discussing the topic of, "Long Term Debt Cycle, Secularly Low Returns and Factor Investing for Pensions Systems." We appreciate her taking time out to speak to our membership, especially knowing her brief stay here on Guam. Attendance at the meeting and the speaking event qualifies for one CPE hour as well!

I look forward to seeing everyone at the February General Membership meeting and be on the look out for more AGA Guam Chapter events!

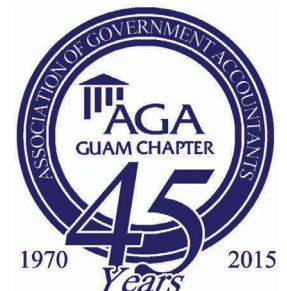
Senseramente,

**Artemio "Ricky" Hernandez**

President

**PLATINUM AWARD**  
Program Year 2014-2015

*Platinum*



## AGA Guam Chapter: Announcements/Guest Speaker

### AGA Guam's Upcoming Events & Reminders

#### General Membership Meeting

**Wednesday, February 24, 2016**

11:30pm—1:00pm

#### LOCATION

Hyatt Regency Guam

AGA Members - \$14

JAS Members - \$8

Non-Members - \$22

#### February Meeting

**“Long Term Debt Cycle,  
Secularly Low Returns and Factor  
Investing for Pension Systems”**

**Guest Speaker**

**Maggie Ralbovsky, CFA**

Managing Director

Wilshire Associates

#### Community Event Reminder

**Miss Earth Beauty Pageant.**

**Date:** March 7, 2016, Monday

**Show Time :** 6pm

Need four (4) volunteers from AGA. Each volunteer will be given two (2) passes. Volunteers will be tabulating results. **Please see Frances Danieli**

**for details**

#### February 2016 General Membership Meeting

**Maggie Ralbovsky, CFA**

Guest Speaker

Maggie Ralbovsky is a Managing Director with Wilshire Associates, and a member of Wilshire Consulting. She provides consulting services to public and corporate defined benefit and defined contribution plans, insurance companies, and endowment and foundation funds. She is a member of the “Credit Opportunities” manager review committee and a member of the Wilshire Consulting’s Investment Committee. Ms. Ralbovsky joined Wilshire in 2002 and has more than 18 years of industry experience. She earned her MBA in finance at Cornell University and holds the designation of Chartered Financial Analyst.



On January 28, 2016, Jojo Guevara, CGFM Chair of the AGA-Guam Chapter, did a presentation to the Auditing Class of Professor Zeny Asuncion-Nace, CPA, CGFM, AIF. The class is composed of senior accounting students from the University of Guam.

Mr. Guevara discussed the importance of being part of a professional organization such as the Association of Government Accountants (AGA). He talked about the importance of the CGFM certification in financial management and the requirements to attain the certification. AGA has awarded over 16,000 CGFM certifications throughout the United States and the Pacific Rim region.

#### AGA Guam Chapter Officers:

**Artemio “Ricky” Hernandez, CGFM**

President

artemiorh@gmail.com

**Josephine G. Villanueva, CPA, CGFM**

Treasurer

josiegv@gmail.com

**Rachel F. Cubacub**

Immediate Past President

**Yukari B Hechanova, CPA, CGFM, CIA**

President-Elect

yhechanova@guamopa.org

**Clariza Mae Roque**

Secretary

croque@guamopa.org

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Websites: [www.aga.guam.net](http://www.aga.guam.net); [www.facebook.com/agaguamchapter](http://www.facebook.com/agaguamchapter)

## AGA Guam Chapter- Article

### YOUR STAFF HAS NO VALUE, UNLESS...

February 17, 2016

By Gary M. Bolinger

That's right, your staff has no value. Unless ...

You know this to be true. It has been true for decades. Seasoned professionals talk about it practically all the time. But it seems more important today than ever. More important because of the complex world that we are all operating in. Because of challenges that are unique to the time we live in. Maybe it's because of this VUCA world we all try to make sense of. You know VUCA ... a "buzz acronym" in my judgment. But the reality is that we are facing unprecedented complexity and volatility.

So ... unless what?

Unless they (and you) have a strong command of the "core competencies." You know, those vital skills that all CPAs should have. Yes, the "soft skills." Actually, I hate that label. Soft skills. Are you kidding me? Soft? I wrote a blog about it three years ago: Why Are the Soft Skills So Hard?

A couple years later (last November), another blog appeared on SmartBlog on Leadership: Let's face it. Soft skills are hard. Very similar message and an admonition: "It's time that we face it. 'Soft' skills can't be learned in a once-a-year breakout session. They deserve attention, investment, energy and focus repeatedly and over time."

Here is the deal. No one cares how good your command of technical skills is unless ...

- you have outstanding communication skills, and ...
- your leadership skills combined with those communication skills allow you and your colleagues to collaborate in the most effective manner, and ...

• you and your staff possess the best critical thinking and analytical skills in order to make the most reasonable and effective decisions.

So, you see, without the "soft skills," you have no value.

Another recent blog entitled CFOs -In-Waiting: What Got You Here Won't Get You There perhaps says it best. "The ability to crank through financial statements and reporting are table stakes."

So make sure that you and your entire professional staff invest in tools, engage in learning and commit to development of those vital skills—core competencies—to ensure that you have value and maintain relevance to clients, employers and colleagues.

Gary M. Bolinger, CAE, is president and CEO of the Indiana CPA Society and its CPA Center of Excellence  
[www.accountingtoday.com](http://www.accountingtoday.com)

### GASB ISSUES GUIDANCE ON BLENDING CERTAIN COMPONENT UNITS INTO FINANCIAL STATEMENTS

February 11, 2016—The Governmental Accounting Standards Board (GASB) today issued GASB Statement No. 80, Blending Requirements for Certain Component Units. The Statement is intended to provide clarity about how certain component units incorporated as not-for-profit corporations should be presented in the financial statements of the primary state or local government.

Statement 80 clarifies the display requirements in GASB Statement No. 14, The Financial Reporting Entity, by requiring these component units to be blended into the primary state or local government's financial statements in a manner similar to a department or activity of the primary

government. The guidance addresses diversity in practice regarding the presentation of not-for-profit corporations in which the primary government is the sole corporate member.

While this Statement applies to a limited number of governmental units, such as public hospitals, it is meant to enhance the comparability of financial statements among those units and improve the value of this information for users of state and local government financial statements.

The requirements of the Statement are effective for reporting periods beginning after June 15, 2016, with earlier application encouraged.

*Statement 80 is available at [www.gasb.org](http://www.gasb.org).*

### GASB ISSUES NEW PENSION GUIDANCE DESIGNED TO ASSIST CERTAIN GOVERNMENTS

December 11, 2015—The Governmental Accounting Standards Board (GASB) today issued guidance designed to assist governments that participate in certain private or federally sponsored multiple-employer defined benefit pension plans (such as Taft-Hartley plans and plans with similar characteristics).

During the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions, stakeholders raised concerns regarding the inability of a small group of governments whose employees are provided pensions through such multiple-employer pension plans to obtain measurements and other relevant data points needed to comply with the requirements of that Statement. (continued next page)

# AGA Guam Chapter– Article/Member Anniversaries

(continued from previous page)

GASB Chairman David A. Vaudt said, “This new guidance removes an impediment to complying with the GASB’s financial reporting requirements for governments participating in certain multiple-employer defined benefit pension plans. It also promotes enhanced consistency among those applying the standards.”

The new guidance in GASB Statement No. 78, Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans, assists these governments by focusing employer accounting and financial reporting requirements for those pension plans on obtainable information. In lieu of the existing requirements under Statement 68, the new guidance establishes separate requirements for employers that participate in these pension plans. Statement 78 establishes the criteria for identifying the applicable pension plans and addresses measurement and recognition of pension liabilities, expense, and expenditures; note disclosures of descriptive information about the plan, benefit terms, and contribution terms; and required supplementary information presenting required contribution amounts for the past 10 fiscal years.

The full text of GASB Statement 78 is available at [www.gasb.org](http://www.gasb.org).

**Congratulations to our  
MONTHLY  
LUNCH WINNER**



## January Member Anniversaries

### 23 Years

**Anthony Meno, CGFM  
Retired**

### 18 Years

**Timothy Fung, CGFM  
Retired**

### 12 Years

**Maripax Perez, CGFM, CGAP  
GPA**

### 11 Years

**Pamela Aguigui  
Jorna Ballon  
Luz Burgos  
Bernadette Cepeda  
Elenita Florecio  
Danilo Magdangal  
Ruby Manibusan  
Cora Montellano, CGFM  
Felisa Regalado  
Patricia Sablan  
Lelani Villegas  
GPA**

### 8 Years

**Antoinette Bautista  
Guam Airport  
Kristine DR Gerardo  
U.S. Navy Hospital Guam  
Teresa Blas  
GHURA  
Barbara Molarte  
UOG  
Gloria Travis, CGFM  
UOG**

### 5 Years

**Zita San Agustin  
GPA**

### 3 Years

**Russel Bala-an  
Zenaida Valencia  
UOG**

### 2 Years

**Emelinda Sussex  
UOG  
Steve Terlaje  
Moylans Insurance**



# AGA Guam Chapter: CGFM



## The Mark of Excellence in Federal, State and Local Government

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

#### Active Status

To maintain the CGFM certification in an active status, CGFMs 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, CGFMs 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 INCENTIVE

### PUBLIC LAW 33-18

– 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 receive a one-time certification pay differential. A Guam licensed CPA shall be eligible to receive an additional fifteen percent (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 ten percent (10%) increase.

## CGFM Promotion AGA CGFM Practice Exams

**New product from AGA!** 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 will fund the cost of 15 Practice exams. CGFM Promo has been extended until April 30, 2016. **For more details visit the AGA Guam Chapter website at <http://www.aga.guam.net>.**

# AGA Guam Chapter– High School Essay Competition

## 3<sup>rd</sup> Annual High School Essay Competition

### Objective

The objective of this competition is to encourage active participation and awareness, at the high school level, on accountability and transparency in the government.

### General Rules

- Entrants must have a sponsoring teacher that will certify that the entrant is submitting original work.
- Entrants must compose an original essay with limited guidance from others.
- There is no cost to enter the competition.
- Entrants may submit only one essay entry during the 2016 competition year.
- Each entrant must read and agree to the information sheet and must complete the entry form. The information sheet contains information about the contest, judging, and awards.

- The Association of Government Accountants (AGA) Guam Chapter will have the right to edit, publish or otherwise duplicate any essay entered into the competition without payment to the author.

- Any protest made by an entrant must be made immediately. The AGA Guam Chapter Executive Committee (CEC) will decide all protests in conformity with the competition rules and information sheet. The decision of the CEC is final.

### Essay Criteria

- Competition is open to all registered students attending high school on Guam at the time of submission and selection (Grades 9-12).
- Essays may not be previously published articles.

- Essays must be written on the topic:

***“Government Accountability for Gen-Zers: How my generation can promote and uphold government transparency and accountability on Guam.”***

- Essays must be original and must contain at least 300 words but no more than 500 words. Every word on the essay is counted except for the title, bibliog-

raphy, or footnotes, if any.

- Essays must be typed and double-spaced using Times New Roman, 12-Point font in a Microsoft Word format.

- Any quotations or copyrighted material used in the essay must be identified properly and failure to do so will result in a disqualification.

- Essays must be written in English.

- Essays must include the entrant’s name, grade, and school.

4.Zeny Asuncion-Nace – Comptroller at the University of Guam and Co-Chair of the AGA Guam Chapter Early Careers Committee

5.Artemio “Ricky” Hernandez – President of the AGA Guam Chapter and Director of the Guam Legislature Office of Finance and Budget

Essays will be judged for material organization (logical interpretation of the subject, adherence to topic), vocabulary and style (phrasing and continuity), grammar, punctuation, spelling, neatness, and adherence to essay competition rules. Winners will receive email notifications no later than April 15, 2016.

### Award and Recognition

Winners of the High School Essay Competition will have their essays published in the AGA Guam Chapter monthly newsletter as well as the AGA Guam Chapter website. Three winners will be selected. The first place winner will receive \$300, the second place winner will receive \$150, and the third place winner will receive \$75. All winners will be presented a certificate of award to be presented at an upcoming AGA Guam Chapter General Membership meeting or other venue to be determined.

### Deadline and How to Submit

All essays must be submitted ELECTRONICALLY in a Microsoft Word file to the AGA Guam Chapter Early Careers Committee email address (agaguamecc@gmail.com) to the attention of Ricky Hernandez, AGA Guam Chapter President no later than Friday, April 1, 2016.

In the subject line, please type “AGA Essay – ‘Name of Student, School, Grade.’” A reply email will be sent back confirming the receipt of the attached essay.

**There is NO exception to the Friday, April 1, 2016 deadline.**

Email address: gagamecc@gmail.com

POSTER CONTENT:

AGA GUAM CHAPTER  
3<sup>RD</sup> ANNUAL HIGH SCHOOL ESSAY COMPETITION  
TOPIC  
"GOVERNMENT ACCOUNTABILITY FOR GEN-ZERS: HOW MY GENERATION CAN PROMOTE AND UPHOLD GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY ON GUAM"  
HOW TO ENTER:  
STEP 1 FIND A SPONSORING TEACHER TO CERTIFY YOUR ESSAY AS ORIGINAL WORK.  
STEP 2 READ THE INFORMATION SHEET AND FILL OUT THE ENTRY FORM THAT CAN BE FOUND ONLINE AT AGA.GUAM.NET  
STEP 3 TYPE AN ORIGINAL ESSAY ON A MICROSOFT WORD FILE ON THE ESSAY TOPIC WHILE ADHERING TO THE GENERAL RULES AND ESSAY CRITERIA.  
STEP 4 E-MAIL ESSAY AND COMPLETED ENTRY FORM TO AGAGUAMECC@GMAIL.COM NO LATER THAN FRIDAY, APRIL 1, 2016.  
PRIZES  
1ST PLACE: \$300  
2ND PLACE: \$150  
3RD PLACE: \$75  
JUDGES  
DORIS FLORES BROOKS: AGA GUAM CHAPTER PAST PRESIDENT AND PUBLIC AUDITOR OF GUAM  
BENJAMIN J. F. CRUZ: VICE SPEAKER OF THE GUAM LEGISLATURE AND CHAIRMAN OF THE COMMITTEE ON APPROPRIATIONS AND ADJUDICATION  
ZENY ASUNCION-NACE: AGA GUAM CHAPTER PAST PRESIDENT EARLY CAREERS CO-CHAIR AND COMPTROLLER TOS  
TALING TAITANO: AGA GUAM CHAPTER PAST PRESIDENT, AGA REGIONAL VICE PRESIDENT/ELECT OF PACIFIC ISLANDS, AND DEPUTY SUPERINTENDENT OF FINANCE AND ADMINISTRATIVE GUAM DEPARTMENT OF EDUCATION  
RICKY HERNANDEZ: AGA GUAM CHAPTER PRESIDENT AND DIRECTOR, GUAM LEGISLATURE OFFICE OF FINANCE AND BUDGET  
ALL ESSAYS MUST BE IN MICROSOFT WORD FORMAT AND E-MAILED WITH SUBJECT LINE: "AGA ESSAY - NAME OF STUDENT, SCHOOL, GRADE" TO RICKY HERNANDEZ AT AGAGUAMECC@GMAIL.COM  
VISIT AGA.GUAM.NET FOR MORE INFO!  
45 Years 1970-2015

### Award Selection Procedures

A judging panel chaired by the AGA Guam Chapter President will make recommendations to the AGA Guam Chapter Executive Committee.

The judges for the competition include:

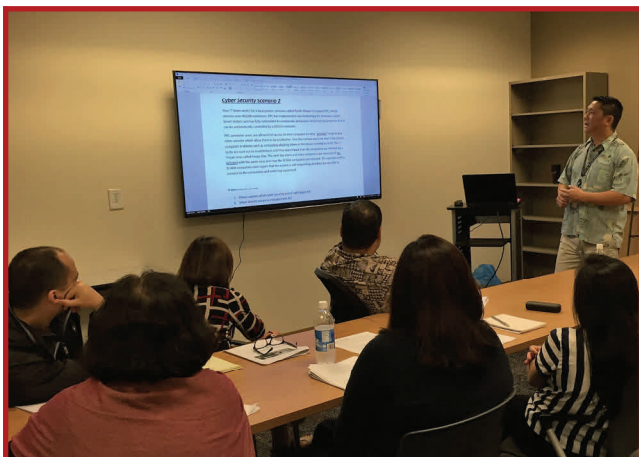
1.Vice Speaker Benjamin J. F. Cruz – Chairman of the Guam Legislature Committee on Appropriations and Adjudication.

2.Doris Flores Brooks – Public Auditor of Guam

3.Taling M. Taitano – AGA National Regional Vice President and Deputy Superintendent of Administration and Finance at the Guam Department of Education

# AGA Guam Chapter: Cyber Security Training Conducted

The Association of Government Accountants –Guam Chapter and the Guam Society of Certified Public Accountants held a training on *Cyber Security and its Impact on Businesses* on February 19, 2016. The presentation covered today's cyber threat landscape and its impact on business. Participants learned of new and recent trends and the motivations behind the trends. Training included how companies are to handle cyber threats and the challenges facing businesses to overcome such threats. The FBI also spoke to note what actions are being done locally to address this issue.



## AGA National Training Events

feb.  
23-24

### National Leadership Training

Feb. 23-24, 2016

Washington

may  
13

### CFO/CIO Summit

May 13, 2016

Washington

july  
17-20

### Professional Development Training

July 17-20, 2016

Anaheim, CA

sept.  
20-21

### Internal Control & Fraud Prevention Training

Sept. 20-21, 2016

Washington

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**AGA Guam Chapter: 5K SPONSORS -Thank You!!!**

**14th Annual 5K Sponsors**

**"SI YU'US MA'ASE"**

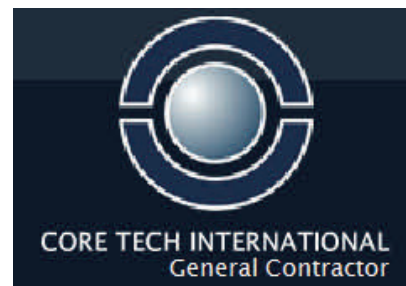
**Platinum Accountability Sponsors**



**Silver Accountability Sponsors**



**Dan S. Fitzgerald**



# AGA Guam Chapter: 5K SPONSORS—Thank You!

## 14th Annual 5K Sponsors

"SI YU'US MA'ASE"

### Bronze Accountability Sponsors



### Friend Accountability Sponsors

**Marcia Briones**



# 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

Director: **Vincent Duenas**, MPA

email: vincentd@guamwaterworks.org

### Education & Past RVP Pacific Rim

Chair: **Rodalyn May A. Gerardo**, CGFM, CIA, CPA, CGAP

rgerardo@guamopa.org

### CGFM & Certification Regional Coordinator

Chair: **Jose Guevara III**, CGFM;

jojo\_guevara@hotmail.com

### Newsletter

Editor: **Matthew Quinata**

mattquinata@gmail.com

### Website

Webmaster: **Artemio Hernandez**, CGFM

artemiorh@gmail.com

### Membership & Chapter Development & Assistant Regional Coordinator

Chair: **Jason Katigbak**, CPA, CIA, CFE, CGMA

jasonkatigbak@gmail.com

Co-Chair: **Debbie Ngata**

debbie.ngata@gu.ey.com

### Early Careers & AGA National Board

Chair: **Doreen T. Crisostomo**, PhD, CGFM, CICA, CFE

doreentc@triton.uog.edu

Co-Chair: **Zeny Asuncion-Nace**, CGFM, CPA, CFE

znace@uguaam.uog.edu

### Student Representative & Co-Chair, Early Careers

**Lorbea Palaming**, JAS President

email: not available

### Accountability

Chair: **Maripaz N. Perez**, CGFM, CGAP

mnperetz@gpagwa.com

Co-Chair: **Zeny Asuncion-Nace**, CGFM, CPA, CFE

znace@uguaam.uog.edu

### Community Service

Chair: **Frances Danieli**, CGFM

danieli6@guam.net

Co-Chair: **Ariana Villaverde**

Araina.villaverde@gmail.com

### Chapter Recognition Program, Regional Vice President-Elect & Education Regional Coordinator

Chair: **Taling Taitano**, CPA, CGFM

tmtaitano@gmail.com

### Awards

Chair: **Vincent Duenas**, MPA

email: vincentd@guamwaterworks.org

### Scholarship

Chair: **Cora Montellano**, CGFM

cmontellano@gpagwa.com

Co-Chair: **Pamela Aguigui**

paguigui@gpagwa.com

### Research/Standards

Chair: **Christopher Wolseley**, CA

cwolseley@deloitte.com

### By-Laws and Procedures:

Chair: **Llewelyn Terlaje**, CGFM, CGAP;

email: lterlaje@guamopa.org

### Historian:

**Jerrick Hernandez**

email: jhernandez@guamopa.org