

November 22, 2017

Greetings to the IGFOA!

I am looking forward to seeing you in Maui and hearing the latest news from your office.

In preparation for our time together in Maui and the insular government presentations on Tuesday morning, December 12th, please read through this message fully. This letter is intended to accompany the attached PowerPoint Template, which should guide each of the insular government presentations.

Note that we are asking for several new items, in addition to the standard requests to update us on your audit status. Additional notes are included in both the Power Point template and are attached to this letter.

Finally, based upon your action plans and presentations from this summer, I have included individual requests for each government to report out. Those areas are identified in the final page of this letter.

Please feel free to share copies of your presentations with me in advance...I'm always happy to provide feedback! I can be reached by email at milksdeb@aol.com.

See you soon,



Debbie Milks
milksdeb@aol.com

Managing Debt and Deficits

One of our IGFOA guest speakers will be focusing on insular government debt, deficits, and debt stress, from the perspective of the U.S. Department of Treasury. In anticipation of this presentation, we have included a slide intended to capture the current levels of debt in each government.

Popular Annual Financial Reporting & Transparency

There were several GFOA presentations on these subjects as well as from our guest speakers. Several governments have expressed interest in taking steps towards more “citizen centric” reporting, whether with a full PAFR or more financial information on their web sites. Please update the group on any discussions you’ve had within your government.

Performance Measures

New Measure—Completed Personnel Evaluations

This measure received the greatest number of “votes” for inclusion in our finance office performance measures. The purpose of the measure is to build capacity and communication with your employees. If done regularly and meaningfully, evaluations help employees understand their role in the organization. Even if evaluations are not tied to compensation, they are a valuable tool for the finance operations.

Set your target within your governments regulations (annual, quarterly?) and measure the number completed compared to the number of employees.

New Measure (as of Last Summer) —Unspent Federal Funds.

The goal of this measure is to determine how much federal money is lost and then to target those departments or grants which need assistance in utilizing their grant monies. At the IGFOA in Denver we discussed the issue with grants that roll over from year to year vs those which have a definite expiration date. As of September 30, please isolate grants which expired on that date Sept 30 and compare the budgets vs actual for those grants at the completion of the liquidation period at Dec 31 (or up to our meeting date). The measure should include both the total dollars lost as well as the % of lost funds to the total budgets.

If you cannot easily pull grants by expiration date, a rough measure would be budget vs actual as of Sept 30 for all grants.

A slide is provided in your presentation template to report this measure.

Existing measure---collection of travel advances

With a couple of exceptions in the IGFOA membership (you know who you are!), overdue travel advances continue to be a problem. The lost dollars are a direct drain on the governments’ cash and budgets. Even worse, there is an inordinate amount of staff time and government resources spent on tracking and collecting advances. Often the result is a possibly fraudulent and definitely unfair system, usually benefiting high profile government staff.

In order to focus efforts on collecting advances due now, I’m asking you to adjust your measure to

concentrate only on the most current advances, which are also the most collectable (and billable). Select travel advances given during FY17 June through September and report on those as of October 31 which are collected, 30 days overdue, 60 days overdue, and over 90 days overdue.

Government-Specific Areas for Action Plan Follow-Up

The following items have been identified for follow-up from each of the Action Plans you developed at the Denver IGFOA Conference. Note that the Action Plans begin on Page 178 of the Denver Conference Report, which can be downloaded at <http://www.pitiviti.org/igfoa>.

Please give us an idea of the status of the items listed below by insular government:

Palau

- #8 develop PAFR model? Any progress?
- #3 revise review process for audit findings

FSM National

- #4 Timely submission of SF425 reports
- #3 Number of employees clearing advances

Pohnpei

- #3 collection of travel advances
- #2 uniform procurement policies

Chuuk DOE

- Select performance measures for each division

Kosrae

- Status of efforts for travel advance collections

Yap

- Any change in the condition of federal grant receivables from National?
- Status of the aged AR account clean up

RMI

- #6 implementation of performance measures

CNMI

- Status of the audit committee and the CAP "czar"?
- PAFR progress
- Dashboard progress

ASG

- #2 posting ASG expenditures & revenues
- #1 Uniform grant guidance procurement rules

Guam

- Trends for Federal AR--changes?
- GASB 77 -- abatements?