

Hawaii Kukala



Association of Government Accountants

September 2012 Issue

Hawaii Chapter Recognized at National AGA Professional Development Conference

At the annual Professional Development Conference (PDC) held in San Diego from July 28 – August 2, 2012, the Hawaii Chapter received three awards for the 2011 – 2012 Program Year. The Chapter earned enough points to qualify for the Gold Level Status in the Chapter Recognition Program. In addition, we received an Education Award for the Hawaii 16th Biennial AGA/ASMC Government Professional Development Conference that was held in August 2011 at the Sheraton Waikiki Hotel.

We also received special recognition for achieving the Highest Overall Growth for the year in Group B (150 – 299 members). We had the greatest percentage growth in membership – 37% -- and were honored with a plaque at the PDC. More information on our winning participation in the 2011 – 2012 Ready, Set, Grow! Member-Get-A-Member Campaign can be found in the Membership Corner.

Past President Patrick Oki and incoming President Ross Okumura were on hand to receive the awards on behalf of our chapter.



Patrick Oki receives an Education Award for the 16th Biennial Government Professional Development Conference. In addition to being the Chapter President, he was also the Chairperson of the conference.

President's Message from Ross Okumura

Hi AGA Hawaii Chapter Members,

The new 2012 – 2013 fiscal year has started which begins my term as the President of the AGA Hawaii Chapter. Being selected the Chapter President is a humbling experience. It is my great honor and privilege to represent the Chapter. I may not have had the pleasure of meeting most of you so I would like to tell you all “Hello” and I look forward to meeting and speaking with all of you personally.

The year 2012 marks the Fiftieth (“Golden”) Anniversary of the Hawaii Chapter. As many of you may know, I have been in the AGA Hawaii Chapter for only a few years, however, during my short time I learned the strength and core of the Chapter is its members. We are so lucky to have such a great diversity of members from different services and experiences. During our Chapter activities I have had the fortune to interact and learn from so many different members. For those of you that may not have participated previously in Chapter activities, I encourage you to do so now. Please volunteer for a Chapter Committee and sign-up for various Chapter events. There is so much that we can learn from each other. We all can continue to build on the great tradition of the Hawaii Chapter.

There is a saying, “May one live in interesting times,” which I believe is an appropriate for this coming year. The Officers and I look forward the fun and interesting times ahead as we begin a new year. We hope that all of you participate and enjoy the fun adventure we are beginning.

Recap of Recent Events

As mentioned above, the Chapter received Gold Level Status last program year. We earn points for everything the Chapter does. Here's a recap of recent events.

End-of-the-Year Social



Pictured l-r, Patrick Oki, Immediate Past President, Ross Okumura, President, Pamela Young, Michelle Gibson, Robert Hatanaka, and Warren Lum. Dennis Moore was also honored but is not pictured.

The Hawaii Chapter held its annual End-of-the-Year Social on Wednesday, June 27, 2012, at the Diamond Head Room of the Waialae Country Club. Those who came enjoyed a fabulous view, delicious pupus, beer and wine, and great company.

The program featured a slide show of events that took place this past year, thanks to Pamela Young. President Patrick Oki recognized the following six individuals who contributed greatly to a successful year:

Dennis Moore, who made numerous presentations at all of our Student Talk Story Events

Robert Hatanaka, Director and Student Activities Chair

Michelle Gibson, Community Service Chair

Pamela Young, Media

Ross Okumura, President-Elect

Warren Lum, Membership Chair

The new officers for the next program year were introduced:

Ross Okumura, President

Dallas Weyand II, President-Elect

Jennifer Ueki Secretary

Donn Nakamura, Treasurer

Patrick Oki, Immediate Past President

We had unique entertainment this year! Santos Kidd visited each of the tables and did some pretty fabulous card tricks. One of his best tricks was to borrow someone's i-phone. He would then stick it in a wine glass, swish the phone around, drop the phone, step on it, bash it on the table, and swish it in wine again. Somehow, the phone was okay because Santos was a magician!

The evening included door prizes that consisted of gift cards to Starbucks and the Apple Store. This was a fun event for all who came!

April Luncheon Program

Our April Luncheon Meeting was held on April 20, 2012, at The Coronet Room at the Plaza Club in downtown Honolulu. The featured speaker was Derek Kim, Senior U.S. Probation Officer, Financial Specialist, United States Probation, District of Hawaii. He has been with U.S. Probation for 13 years and supervises many of the offenders convicted of "white collar" offenses such as ponzi schemes, bank fraud, embezzlement, tax evasion, and aggravated identify theft. Many of these felons were chief financial officers, accountants, loan officers, and managers of government and private agencies.

Mr. Kim said that often, these criminals were very charming, very intelligent, and were great salesmen. They were sociopaths who gained positions of trust where they subsequently exploited poor internal controls. They rationalized their crime and felt they were "owed" the money they stole. After serving prison sentences, they don't think about paying back their victims and making up for their crime. Instead, they think about how they can get back what they lost, and how to get even more.

His job is often interesting as it is not always a desk job. While conducting surveillance, he once pretended to be a homeless person, begging for money. He also pretended to be a construction worker, stenciling the road and taking pictures.

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Derek Kim, Senior U.S. Probation Officer, Financial Services, at the podium at the Plaza Club speaking on white collar criminals.

He contrasted the crime and punishment of his probationers against the drug dealer. The drug dealer can be sentenced to five years for possessing the equivalent of five sugar packets of drugs. He often feels remorse and has physical and mental health issues. On the other hand, the white-collar criminal, who usually has a shorter sentence, often has more victims, has stolen more money - sometimes victims' life savings - and doesn't always see the actual impact of his crime on those he ripped off. Mr. Kim felt the white collar criminal was more culpable but society and/or the law does not at this time.

Audio Conferences

The Hawaii Chapter continues to offer free CPEs for audio conferences sponsored by the AGA National Office. The Chapter picks up the tab for the conference fee and allows unlimited dial-ins. For the past several months, the following audio conferences were offered.

On March 21, 2012, the topic was: A Systems Approach to Implementing Performance-Based Management and Budgeting for two CPEs. The presentation focused on lessons learned and best practices in implementing performance-based management and budgeting. Discussions included how to define performance expectations and goals, identifying appropriate resources to achieve the goals, designing systems to measure achievements, and using performance reports and measures to support decision-making. The speakers were Stephen L. Morgan, CEO, EGAPP, Inc, and former city auditor of Austin, Texas; and Sam McCall, PH.D., MPA, CGFM, AGA Past National President, and auditor of Tallahassee, Florida.

On May 23, 2012, the Hawaii Chapter sponsored an audio conference on "Ethical Decision-Making for Auditors". It was presented by Alan Z. Goodman, a Master Trainer in Ethical Fitness Seminars for the renowned Institute for Global Ethics. The material for the course was based on the works of the late, Dr. Rushworth M. Kidder, who wrote "How Good People Make Tough Choices" and "Moral Courage". The presentation discussed ethical dilemmas and tools to analyze and resolve dilemmas. Some of the topics included: compliance versus ethics; codes of ethics such as the cowboy code or the code of the warrior; independence, right vs. right; resolution principles; and what makes moral courage so challenging? This was a very popular topic.

Ronald McDonald House

Hawaii Chapter members made dinner and socialized with the residents of the Ronald McDonald House at 1970 Judd Hillside Road located in the Manoa area on Saturday, March 31, 2012. The House offers a “home-away-from-home” to families needing to be near their serious ill or injured children while they’re being treated at Honolulu area hospitals.



Participants at the Ronald McDonald House Event. Top row: Milagros Handel, Michelle Gibson, Robert Hatanaka, Cindy Yee. Bottom row: Mark Eder, Pamela Young, Kevin Yim, Patrick Oki, Donn Nakamura, Jennifer Ueki, and Amber and Anthony Fraiola. Not pictured: Ross Okumura and Spencer Lum.

Institute for Human Services

March was a busy month for community service projects. In addition to the Ronald McDonald House, the Chapter also fed the women and children at the Institute for Human Services on March 1, 2012. Thanks to all those who participated! Pictures from this event are posted on the AGA Hawaii website at agahawaii.org.

Talk Story with UH Students

Talk Story With UH Manoa and UH West Oahu on April 23, 2012, at Shidler School of Business. The Chapter sponsored a presentation on Business Etiquette by Pam Chambers that was very well received by the students. The event also featured more student interaction with some of our members who shared their professional experiences. The Chapter has spent a great deal of effort this past year to reach out to college and university students and was successful in recruiting many student members.



From left to right, Bob Hatanaka (Director and Student Relations Chair), Trisha Oftana (Networking Committee Chair), Pam Chambers, Ross Okumura, (President-Elect) and Edwin Young, (Director and Nominating Committee Chair).

More Accolades for City and County of Honolulu Audit Reporting

The City and County of Honolulu Auditor's Office was featured in the April 2012 issue of the AGA National Newsletter. In an article titled "Honolulu Official Describes Lessons Learned, Plans for Future SEA Reports", Susan Hall, Project Manager and Deputy City Auditor, described their collaborative efforts to work with the various City departments to produce their award-winning Service Efforts and Accomplishments (SEA) Report. She also said they benefitted greatly from City Auditor Edwin Young's assistance and experience in producing a similar report for the city of Palo Alto, California. To read the article, go to the national AGA website, www.agacgfm.org, and visit its Publications Section.

Honolulu also won the 2011 Knighton Silver Award from the Association of Local Government Auditors (ALGA) for their audit report on ambulance services. They won this award in competition with other cities throughout the nation with medium sized audit departments (6 to 15 auditors). In the audit, they discussed response times, costly overtime, and sick leave abuse. According to the ALGA write-up, "the report was well-written, had good visuals, and demonstrated an innovative approach...The auditors drew sound conclusions, and the recommendations were clear and specific."

Congratulations to the City Auditors for doing outstanding work!

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Membership Corner

By Warren Lum

Our Chapter efforts and those members that participated in the National AGA's Ready, Set, Grow! Member-Get-A-Member recruitment program for 2011-2012 has paid off! The Hawaii chapter was recognized as a campaign winner in the categories of "Spotlight on Chapters" and "Chapter Overall Growth". For the "Spotlight on Chapters" category, a \$100 American Express Gift Card will be raffled to both the Hawaii and Boston chapters which had at least five members who actively sponsored new members during the program year. For the Chapter Overall Growth category, our Hawaii chapter topped the Group B chapter size (150-299 members) with a 37% growth percentage and we will win a complimentary AGA national meeting registration. I want to thank each of you who participated in this membership recruitment program by spreading the good word about our chapter and becoming a member sponsor.

As our chapter year winds down, our total membership count stands at 165 which includes 51 new members as part of our recruitment drive. Once again, we want to thank each of our new members and also our loyal existing members in showing your support of your chapter. Our chapter leadership volunteers have tried their best to offer a variety of programs to add value for our members. We encourage each of you to step up to the plate and to volunteer your time and skills to serve on the various chapter committees so that we can all share the load in continuing to maintain the quality of our chapter events.

This year our main membership recruiting focus was to target the student population which resulted in adding 28 students mainly from the University of Hawaii Manoa and West Oahu College campuses. We want to thank Robert Hatanaka, our Student Coordinator chair, and so many of our AGA chapter members for giving up their free time to attend the student "talk story" events. I want to encourage each student member to continue to renew their annual membership even after graduation and as they go out into the work force. An Early Career member rate of \$45 per year will apply during the first three years of work experience in the private or government sector.

A warm welcome to the following new members recently joining our chapter:

<u>Member Name</u>	<u>Employer</u>	<u>Sponsor</u>
Jeanette Roberts	City & County of Honolulu	
Kelli Nishimura	City & County of Honolulu	David Hanlon
Holly Swanson	U.S. Army Audit Agency	Kate Lindemann
Patrick Mulcahy	Retired	

And here are a few more short biographies from our student members:

Eric Huang is currently a senior at the Shidler College of Business at the University of Hawaii at Manoa and will be graduating in May 2013 with a Bachelors of Business Administration in Accounting and Management. He was recently elected as the President of Beta Alpha Psi and is an active member of Accounting Club. His goals after graduation consist of earning his CPA certification and working as an audit associate in a public accounting firm. His hobbies include watching anime, playing tennis, and eating new foods.

Isaac Koki is finishing up his junior year studying accounting and finance at UH West Oahu. In 2011, Isaac received his associate's degree in accounting from Leeward Community College. Upon graduation from West Oahu, he hopes to continue studying by sitting for the CPA exam within a year of graduation. This past semester, Isaac attended school full-time and worked full-time, so he did not have much time for extracurricular activities or hobbies. However, every spring Isaac finds time to participate in the VITA (Volunteer Income Tax Assistance) program, as well as, other fundraising or volunteer activities.

Erwin Keith Udarbe graduated from the University of Hawai'i West O'ahu this Spring semester in 2012 with his Bachelor of Arts in Business Administration with a concentration in Accounting. He was the Secretary of the University of Hawai'i West O'ahu Accounting Club. Erwin's goals are to complete the education requirements for CPA licensure and to obtain an audit staff position in a public accounting firm. As a member of AGA, he hopes to gain knowledge about governmental accounting and the opportunities that the sector holds. In his spare time, Erwin enjoys hiking, traveling, cooking, and spending time with family and friends.

I thought it would be appropriate to recognize 10 of our most loyal members based on the number of years with our chapter. These members listed below have stuck with the chapter through thick and thin and we thank them for all of their contributions to the chapter and wish them continued success in life.

Member Name	Organization	Join Date
Tom Stanton	Retired	June 1, 1977
Dennis Tsuhako	Accuity LLP	September 1, 1977
Michael Ichikawa	Egami & Ichikawa	April 1, 1978
Winnie Loo	Retired	September 5, 1979
Herbert Lum	Retired	April 1, 1980
Ronald Shiigi	N&K CPAs, Inc.	September 1, 1981
Ann Sakurao	City & County of Honolulu	January 1, 1982
Lawrence Rodriguez	Retired	October 1, 1982
Arnold Kishi	Retired	December 1, 1982
George Woolworth	Retired	February 14, 1984

This will be my final article written in the Membership Corner. I have been the chapter Membership Chair since 2004 and it's about time for some new blood and different ideas! I have truly enjoyed meeting and writing about so many of you members throughout these eight years.

Other News!

Golden Anniversary

The AGA Hawaii Chapter is 50 years old! We can celebrate our Golden Anniversary! We received a chapter charter in 1962 but didn't incorporate until 1976. We became the 41st AGA chapter and Ken Doolin was the first president.

Conference News

The Government Technology and Fraud Conference (GTFC) was not held this year. Due to the economic downturn and the difficulty of finding Federal Government speakers because of restrictions on conferences and travel, we were unable to secure \$10,000 to \$20,000 in sponsorship fees. It was unlikely that we would be able to recover most of the costs of holding the conference.

There is still interest in holding the Government Professional Development Conference (GPDC) in 2013. At present, we're awaiting a proposal from Sheraton Waikiki Hotel. In addition, the Education Committee is considering sponsoring one-half or one day educational conferences.

Scholarship

The Hawaii Chapter set up a \$50,000 perpetual annuity scholarship fund with the UH Foundation a few years ago. Scholarships were to be presented each year based on the earnings of the fund, however, because of the stock market performance, the fund, which is managed by the UH Foundation had fallen below the \$50,000 principal in recent years. This past year, we added additional funds to bring the scholarship fund back up to the \$50,000 principal and added a one-time contribution to award a scholarship for \$1,000. The scholarship was presented to Lisa Sugai. Congratulations to her!

Website/Social Media

The Chapter has set up Facebook and LinkedIN pages. We're hoping one of our student members will volunteer to monitor these sites for us.

Directors

Directors for 2012 – 2013 program year to begin a two year term are:

Milagros Handel, Argosy University

Wei Lum, Accountancy + LLC

Valerie Shintaku, Deloitte

Howard Todo, University of Hawaii

Mark Chandler, HUD

Mabel Yeung, HHS/OIG

They join Robert Hatanaka, Edwin Young, and Kerry Yoneshige who are serving the second year of their 2 year terms.

Student Liaison

Bowha Kang will be the Chapters inaugural Student Liaison Committee Member. This position was added since the Chapter wishes to devote more time to students and early career members. She's well connected at the University of Hawaii, Shidler School of Business as she is continuing her studies as a graduate student there.

Coming Events!

September Luncheon Meeting

The September Luncheon meeting will be held on Thursday, September 27, 2012 at PKF Pacific Hawaii LLP's Lokahi Learning Center at 1132 Bishop Street, Suite 2410. The speaker will be Mr. Del Fujinaka, Managing Partner for Pacific Rim Legacy Group who will speak on "What is You Net." The flyer should be distributed soon.

September Audio Conference

An audio conference on Pension Accounting and Other Changes from the Government Accounting Standards Board (GASB) will be presented at no cost to members on September 12, 2012. Watch for the sign-up sheet and instructions.

2012-2013 Chapter Executive Committee and Committee Chairs

Officers:

President	Ross Okumura, Air Force Audit Agency
President-Elect	Dallas Weyand II, KMH LLP
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	Carole 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	Bowha Kang

Association of Government Accountants Hawaii Chapter

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