

# CMFO News

Certified Municipal Finance Officer

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### A Short Test CMFOs Should Take

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Everyone hates tests including me. However, there are some tests that we must take whether we

like it or not because life asks the questions and then demands an answer. The following is just such a test. There are only two answers for

each question, True or False. The questions are intended to make you more aware, because at some point in your CMFO career, you will be confronted with these questions and many more. Please pay attention to one of the biggest words in the English language, "if".

As a CMFO you should perform your job in an Ethical manner

### It's Not Wrong....."if":

- 1. No one will notice! (True or False?)
- 2. It's a small thing! (True or False?)
- 3. Everyone else does it! (True or False?)
- 4. My boss told me to do it! (True or False?)
- 5. It's just this once! (True or False?)
- 6. No one uses the information any-

way! (True or False?)

- 7. The auditors don't look at this! (True or False?)
- 8. I know he/she shouldn't have done that, but I'm not risking my job to say anything about it! (True or False?)
- 9. We've always done it this way! (True or False?)
- 10. We don't have a policy about this! (True or False?)

The answers to all the questions should have been **False**. If you are struggling with your answers because you can think of situations where a simple True or False may not fit without considering extenuating circumstances, think of each question in terms of the government's money. (i.e. It's not wrong to take a little

money if no one will notice, True or False?; Or, It's only a small amount of money, no one will care, True or False?; Or, We don't have a policy about borrowing money from the cash register, therefore it's not wrong, True or False?). Your position as the CMFO of your government will require you to answer questions just like these more often than you think. Just as important, you must be aware that employees who work with you are asking and



## Annual Compliance Reporting Form

Some municipalities have not completed the Annual Compliance Reporting Form on the CARS system. This form is used to report the municipality's current status related to compliance with the CMFO Act. Municipalities will need to complete this form **annually** during April of each year. Questions regarding the reporting cycle should be addressed to LGA.WEB@cot.tn.gov.

answering the same questions. I recommend that you consider discussing ethics with your employees regularly. Having already thought about an **Ethical** response is half the battle. As a CMFO you should perform your job in an **Ethical** manner regardless of whether anyone is watching or whether anyone will know.

One last question. Fraud cannot occur unless there is an **Ethical** lapse, True or False? I will leave it to you to provide an answer.

### The Latest News:

GASB Statement 84, *Fiduciary Activities* is effective for the <u>calendar</u> year ended December 31, 2019 and the <u>fiscal</u> year ended June 30, 2020. GASB Statement 87, *Leases* is effective for the <u>calendar</u> year ended December 31, 2020 and for the <u>fiscal</u> year ended June 30, 2021. You should have already begun to analyze your leases, especially any lease that is considered an operating lease. Many operating leases will be treated differently under GASB Statement 87.

New Rate of Penalty Assessments: There are nine (9) cities that are currently being penalized for not complying with the CMFO Law either because they did not have a CMFO or they did comply with CPE (Continuing Professional Education) requirements. These cities have been penalized 3% of State Shared Sales Tax Revenue for several months. The rate for seven (7) of those cities is increasing from 3% to 6%.



### Let's Talk

Starting with this edition of CMFO News, we are going to answer your submitted questions. This new section is designed specifically to answer whatever questions you may have that would help you and other CMFOs. You may ask questions about CPE, CMFO status, Penalties, CMFO requirements for Cities, or anything else you have on your mind. Help us get this new section started by submitting your questions to <a href="Yanna.Utley@cot.tn.gov">Yanna.Utley@cot.tn.gov</a>.

When it comes to the CPE hours, is it required for me to get both 16 hours of financial and 8 hours of other or can I have all 24 hours in financial?

You can have all of your hours in the "financial" category and still meet the requirements for your CPE. It's not required for you to have any hours in the "other" category. We encourage you to have more than 16 hours in the financial category.□



### **CPE Provider Training Opportunities**

(The following list is not a preapproval or endorsement of the provider organizations, and neither do we provide any assurance regarding classes offered by the organizations.)

ACFE (Association of Certified Fraud Examiners) http://www.acfe.com/

ACPEN (Accounting CPE Network) http://www.acpen.com/

AGA (Association of Government Accountants) (CGFM) http://www.agacgfm.org/

AICPA (American Institute of Certified Public Accountants) CPExpress

https://www.aicpa.org/cpeandconferences/cpeselfstudy.html

Checkpoint Learning CPEasy http://www.cpeasy.com/

Continuing Academics CPETutor http://www.cafacpe.com/default.aspx

GFOA (Government Finance Officers Association) http://www.gfoa.org/index.php? option=com\_content&task=view&id=28&Itemid=49

Local Government Corporation https://www.localgovernmentcorporation.com/drupal7/

ΛΛΤΔς

http://www.mtas.tennessee.edu/training-calendar-0

NASACT (National Association of State Auditors, Comptrollers, & Treasurers)
http://nasact.org/

TGA (Tennessee Gas Association) http://www.tngas.org/

TCMA (Tennessee City Management Association) http://www.tncma.org/

TGFOA (Tennessee Government Finance Officers Association) http://www.tngfoa.org

TSCPA (Tennessee Society of Certified Public Accountants) http://www.tscpa.com

TVPPA (Tennessee Valley Public Power Association, Inc.) http://www.tvppa.com/

Tyler Technologies http://www.tylertech.com/

Western CPE http://www.westerncpe.com/





## Spring Institute Registration is now open

For more information concerning this event, please visit <a href="http://tngfoa.wildapricot.org/event-3668701%20">http://tngfoa.wildapricot.org/event-3668701%20</a>.

# Association of Certified Fraud Examiners Middle Tennessee Chapter 2020 Fraud Conference





March 16-17, 2020

George Shinn Center, Lipscomb University 3906 Belmont Blvd Nashville, TN 37204

A two-day gathering of professionals who are passionate about fighting fraud and white-collar crime.

World-class training opportunities and networking to help in your career

Interview & Ethics Expert Testimony Body Language

Fraud Investigations White Collar Crime Bank Secrecy Act Money Laundering

- Delivery Method: Group-Live. A total of 16 hours of CPE will be granted on a 50-minute hour (including 2 Ethics CPE credits).
- Field of Study: Auditing, Ethics, Interviewing Techniques, Investigations, Legal, Specialized Knowledge
- Who Should Attend: Internal and Independent Auditors and Investigators; Accountants; Ethics Professionals;
  Compliance Professionals; Educators and Students; Legal Professionals; Certified Fraud Examiners; Anti-Fraud
  Specialists; Criminal Investigators; Prosecutors; Defense Attorneys; Local, State, and Federal Law Enforcement
  Officers; Compliance Officers; Regulators; Financial and Risk Professionals
- Advanced Preparation: None
- Program Level: Intermediate

For pricing and registration visit www.middletennesseecfe.wildapricot.org/Annual-Fraud-Conference

#### **Terms of Service**

**Photo/Video Release** — By registering for this event, I grant the MTACFE or anyone authorized by the MTACFE, the right to use or publish in print or electronic format, any photographs or video containing my image or likeness for any promotional purpose, without compensation.

You will receive your conference gift, course materials, name badge and any other event-related materials on site at the registration area. Event fees do not include travel, lodging, incidentals and other meals.

Cancellation Policy — Our cancellation policy is intended to keep costs low for our conference attendees. Due to financial obligations incurred by the MTACFE you must cancel your registration prior to the start of the event. Cancellations received less than 14 calendar days prior to an event start date are subject to a \$100 administrative fee. No refunds or credits will be given for cancellations received on or after the start date of the event. Those who do not cancel and do not attend are responsible for the full registration fee. Terms and conditions are subject to change without notice.

Hotel – Hilton Nashville Green Hills (1.4 miles away) 3801 Cleghorn Ave., Nashville TN 37215. For a discounted rate of \$169, book before February 14. Call (615) 297-9979 and ask for Mid TN Association of Certified Fraud Examiners group rate.



enalty hours will be assessed to individuals who did complete the required 24 hours Continuing Professional Education (CPE) for 2019. A letter will be sent to these individuals indicating the number of additional penalty hours they incurred for 2020. The deadline for penalty hours is six months from the date of the letter. Failure to complete these hours may cause the city to be in noncompliance. As a result, your status will change from 1) penalty, 2) delinquent, or 3) expired.

# SPOTLIGHT ON GOING INACTIVE

To change your status to inactive, your current CMFOA status must be active and your CPE status is none or current, please notify us in writing and we will send you a form to fill out and return to us. To obtain a copy of the form, please email Yanna Utley at Yanna.Utley@cot.tn.gov.

You will not be able to change your status, if your status is anything other than what is stated above. Please see the policy and procedure manual, page 26 section E1 at <a href="https://www.comptroller.tn.gov/RA\_Upload/CFMOPoliciesandProcedures.pdf">https://www.comptroller.tn.gov/RA\_Upload/CFMOPoliciesandProcedures.pdf</a>. □





**Continuing Professional Education** 

The deadline for all CPE hours is December 31st.

For assistance in finding a class, please check out our website at: https://www.comptroller.tn.gov/la/pdf/20171213CPE\_Reporting-ProviderIdeas.pdf