
Monterey Chapter Newsletter

American Society of Military Comptrollers

Volume 1 Issue 1

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P.O. BOX 8727 MONTEREY, CA 93943

President's Corner

As your new President, I would like to once again thank all outgoing Executive Committee Members for volunteering their time and energy during the past year. To those of you who were not committee members but provided support to our Chapter, thank you.

Your Executive Committee is planning several monthly luncheons that will emphasize both professional and technical training topics. Keep your eyes peeled for the flyers announcing each meeting's topic and guest speaker. It is also my hope to have a few combined Association of Government Accountants (AGA)/ASMC luncheons and a Christmas party.

With the 1999 Professional Development Institute (PDI) being held in San Diego next May, it is my goal to obtain the support of our agencies' management, not only to allow as many of our members to attend as possible, but also to assist with the funding. Chapter fund raising events will be held, and I solicit each and every member's help in raising enough funds to support this effort.

In order to provide the best educational opportunities to you, our member, I encourage you to call or write any of our Committee Members with your ideas and comments. See this issue for email addresses and telephone numbers.

I look forward to meeting you at a future event.

- Bev Lemon

Election Results

Election for the 1998-99 Executive Board was held on June 25. The new Executive Board members are:

Chapter President - Bev Lemon

1st VP - Sam Castellino

Co-VP, OpLoc & Mongoose - Dave Riney

Co-VP, OpLoc & Mongoose - Karen Forbes

VP, NPS & NSAMB - Melodie Pehr

VP, DLIFLC & POM - Cathy Coates

VP, DMDC - Randy Faulkner

Secretary - Shirley Linser

Treasurer - Terri Schreader

Membership Director - Rainy Lowery

Community Activities Director - Ken Mitchell

Newsletter Editor - Connie McMahan

Retired Member Representative - Joanne Hughes

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Chapter Officers

Beverly A. Lemon
President

Beverly A. Lemon is currently a Systems Accountant for Operation Mongoose where she is responsible for identifying irregular and illegal payments in the functional area of civilian pay. She was in the original cadre of employees who started Operation Mongoose and she participated in Operation Mongoose's first major investigation: the overseas verification of retirees and annuitants in Puerto Rico, Germany, and England.

Ms. Lemon has held a variety of positions in her 19 1/2 years of service ranging from clerk steno to management analyst to systems accountant. She began her Federal career in Rock Island, IL, in 1978, continuing with the Army Materiel Command where she spent 7 years. She joined the US Army Training and Doctrine Command in 1985; the Total Army Personnel Agency in 1987; the US Army Finance and Accounting Service in 1988; and finally the Defense Finance and Accounting Service when it was established.

Ms. Lemon is a Class II Graduate of the DFAS Centrally-managed Intern Program and has an Associates Degree in Applied Science from Vincennes University. She is a Certified Government Financial Manager and a member of the Association of Government Accountants. A member of the American Society of Military Comptrollers since 1988, this is Bev's first time serving as a Chapter President.

In her free time, Bev enjoys traveling, spending time with her family in Illinois, and being the Commissioner of the FLOG Golf League.

Sam Castellino
1st Vice President

Sam Castellino is a Systems Accountant in Operation Mongoose where he is responsible for identifying irregular and illegal medical payments.

He worked at the Seaside OpLoc prior to working for Operation Mongoose.

Sam has 27 years of Federal service, most of which was spent at Tobyhanna Army Depot in Northeastern PA. He began his career as an intern and has held positions as a computer specialist and first-line supervisor.

In addition to being a member of the American Society of Military Comptrollers, he is a member of the Association of Government Accountants.

Sam holds a Bachelor of Science degree from Kings College, Wilkes Barre, PA, and a Master of Business Administration degree from Marywood College, Scranton, PA. He's a movie buff and enjoys 'working out' at Garden Health and Fitness.

Terri Schreader
Treasurer

Terri Schreader works in the Comptroller Department at the Naval Postgraduate School. She has been in the Civil Service for 23 years, 18 of which were spent in the accounting field. She is married to Duncan, and they have one son, Matthew, and a brand new granddaughter, Devyn Jeanne. Terri was raised on the Monterey Peninsula and is a graduate of Pacific Grove High School and has attended Monterey Peninsula College. She has been a member of ASMC for three years and has attended several ASMC functions over the years before becoming a dues paying member. She is pleased to be able to continue to serve as the Treasurer of our local chapter and looks forward to seeing all of you at our meetings and functions.

Cathy Coates
DLIFLC & POM Vice President

Cathy Coates has spent her life associated with the military in a variety of ways. She was born enroute to Ft. Benning, Georgia, and has been on the move ever since. After growing up in the military, she spent three years as an Army officer, and then chose to make a career change to civil service. She has since worked as an Educational Guidance Counselor for the military; Employee Development

Specialist at the Civilian Personnel Office; Chief of the Personnel Services Division, Directorate of Personnel and Community Activities; and currently is a Management Analyst with the Directorate of Resource Management.

Cathy has earned a Bachelor's Degree in Russian and Chinese history and a Master's Degree in Educational Psychology from the University of Arizona. She enjoys cooking, sewing, ceramics, and performing as a singer and dancer in musicals on local theater stages. Since joining the Monterey Chapter, she has also been the Chapter Treasurer. This is her fourth term as the DLIFLC & POM Vice President.

"WANTED"
NEWSLETTER EDITOR

David Riney
DFAS Co-Vice President

David Riney is a Systems Accountant in Operation Mongoose. Until recently he was responsible for detecting fraud within the Military Pay functional area. Now he will be working Vendor Pay in the Federal Payments Branch within Operation Mongoose. Dave has 20 years of Federal service and has worked in almost all functional areas in the Finance and Accounting discipline. He spent most of his career at McClellan AFB with his last position being the Financial Services Officer.

Dave has a Bachelor of Science Degree in Accounting and a Master of Science Degree in Management Information Systems, both from California State University in Sacramento. Dave was a member of the 49er Chapter of the American Society of Military Comptrollers. He is also a Certified Government Financial Manager.

Dave enjoys golf, softball and other outdoor recreational activities. He and Randy Faulkner were also members of the 1997 championship team

at the *Best of the West Comptroller Softball Tournament* held in Tucson AZ.

Shirley Linser
Secretary

Shirley Linser has been a member of ASMC since 1991. She has worked in civil service since 1977 where she has spent the last 19 years in the Supply Department.

Shirley is the Agency Program Coordinator for the Visa Purchase Card program.

She and her husband, Paul, have 3 daughters, 8 grandchildren and 1 great grandson.

Melodie Pehr
NPS & NSAMB Vice President

Melodie Pehr started in government service 24 years ago at SUBASE, New London, CT. She moved to San Diego, California, and worked for the newly-established command, PSA San Diego, as an accounting technician and later as a Budget Analyst. She received the appointment to the Budget Officer/Comptroller position at SUBASE, San Diego in 1989. She transferred to Everett Naval Station in 1994 as an Accounting Officer to take on the challenge of developing a new accounting division. In 1997, she transferred to the Naval Support Activity Monterey Bay as a Resource Manager to develop a new financial department.

Melodie was born in San Francisco, raised in San Jose, and attended schools in San Jose and Monterey. She has a son living in San Diego and a daughter living in Monterey. Melodie enjoys quilting, reading, dancing, traveling, and walking her Great Pyrenees.

Randy Faulkner

DMDC Vice President

Randy Faulkner is a Financial Data Specialist with the Defense Manpower Data Center and loves his job and where he works. He graduated from California State University, Sacramento with a Bachelor of Science degree in Business Administration (Accounting) in May 1980. Randy has been a long time member of ASMC and recently joined the Association of Government Accountants.

In May 1996, Randy attacked and passed all 4 parts of the CPA Exam in one sitting. He is a player/manager of numerous slow pitch softball teams, including the 1997 Comptroller Best of the West Champions. He is supported and inspired by his wonderful wife, Brenda, and his handsome 12 year old son, Brandon.

Karen Forbes

DFAS Co-Vice President

Karen Forbes was born in Dublin, GA, and being a military brat, spent most of her life traveling both in the United States and Overseas. She has one child who has taken a temporary hiatus from college to try his luck at professional baseball.

Her government career started at the Sacramento Army Depot in Contracting. She moved on to Finance and has worked in Civilian Pay, Travel, Quality Assurance, Disbursing, Accounts Control, and Customer Service and Performance Assessment.

She recently moved from being the Deputy Director of Finance to Chief of Reports and Analysis in Accounting for the Seaside OpLoc. She has been an active participant in ASMC since 1990.

Kenneth Mitchell

Community Activities Director

Kenneth Mitchell is a Systems Accountant with the Seaside OpLoc, working in the Systems Management Office. Ken came to the Seaside OpLoc in July 1997 and has over 26 years with

the Department of Defense. Ken has worked in almost every section within the Finance and Accounting arena. He has traveled from one side of the globe to the other in various assignments.

Ken was an active member in ASMC while in Alaska and has held a variety of positions in volunteer non-profit organizations. He is an active member of a local cribbage club and plays in tournaments throughout the western states. He has also been known on occasion to swing a golf club.

Joanne Hughes

Retired Member Representative

Joanne Hughes is a retired civil servant with 27 years experience with both the Navy and the Army at various bases in the U. S. and the Pacific. She retired in January 1996 as a Senior Fiscal Analyst in the NPS Comptroller's Office.

Joanne has worked for H&R Block as a tax preparer for 7 years and as the Office Manager of the Marina Office for 2 years. She opened her own tax preparation and bookkeeping business in Seaside in October 1997. Before retirement from the Naval School, she was the ASMC President for two years and an ASMC Vice President for four years.

Joanne resides in Gonzales and has five grown children. In her spare time, she does ceramics where she has her own kiln, and squeezes in some recreational reading when not spending time with her 7 grandchildren who are in Tulsa, OK, Mt. Kisko, NY, and Salinas, CA.

Rainy Lowery

Membership Director

Erainust Lowery, better known as Rainy, started government service at the National Security Agency in Fort Meade, Maryland. After 5 years in the computer field, she became a Consultant with Booz Allen and Hamilton in the private sector. Two years later, employed as a Consultant by Allied Signal Bendix, she married her husband and relocated to London, England. As a military spouse, she re-entered government service to become a computer

support person at the Family Service Center in England. Three years later, the military relocated Ms. Lowery and her husband to Monterey, CA, where she changed career paths and became an Accounting Technician. Today, Ms. Lowery works in the Resource Management Office of the Naval Postgraduate School and is working on her Master's Degree.

Treasurer's Report

Terri Schreader reports that the Chapter's financial condition has been independently audited by LCDR Todd Friedlander, CPA. The audit covered the period July 15, 1997, through August 3, 1998. In his report to the President, dated August 13, 1998, LCDR Friedlander states that the Treasurer's reports and ledger accurately reflect the financial condition of the Monterey Chapter and agree with the bank's confirmation report of \$410.61 balance.

Secretary's Minutes

Executive Board Meeting

The first Executive Board meeting with the newly elected board members was held on July 22 at the Seaside OpLoc. The board members discussed revising the Constitution to delete old references to Ft. Ord and substitute the current names of their respective organizations. The revised Constitution would also include a job description for two new Executive Board positions: Community Activities Director and Retired Member Representative. The planned schedule of meetings for the coming year was discussed. It was agreed to hold the Executive meetings on the first Thursday of month and the General Membership meetings on the second Thursday of the month. The committee members brainstormed through a list of planned activities. A tentative list was put together which would be refined over the next few Executive meetings. The Treasurer's Report was read. It was decided that the new President and

Secretary would proceed later to the bank to modify the existing paperwork to reflect the names of the new officers. The time for the annual audit of the Chapter's books was discussed with the decision taken to request the services of Todd Friedlander, CPA, as the Chapter's auditor. The need for a formal letter to the heads of the organizations making up the Monterey Chapter, thanking them for their previous support and requesting their continuing support, was discussed and approved. The Board decided that the President, and 1st Vice President would request a meeting with the heads of their respective organizations to discuss the Chapter's plans and goals for the coming year, and to solicit their ideas on how the chapter could be made stronger. Finally, it was decided to hold the first General Membership meeting on August 20 at the Seaside OpLoc in the Operation Mongoose Classroom on the 3rd floor.

General Membership Meeting

The first General Membership meeting was called to order by Sam Castellino, 1st Vice President, at 12:00 on August 20. He asked that the members review and approve the Treasurer's Report that was on their table. He swore in the new Executive Committee members Ken Mitchell and Randy Faulkner. He announced that the Chapter had successfully passed an independent audit of its books and that the Chapter had a current balance of \$410.61.

Mr. Castellino introduced LCDR Todd Friedlander who spoke on "How to Conduct an Audit". LCDR Friedlander discussed the objectives of an audit, auditing standards, the approach that is used, and the tools that are available to the auditor. He supplemented his presentation with audit examples. He concluded by describing the different opinions an auditor can make: unqualified, qualified, disclaimed, and adverse.

Mr. Castellino presented LCDR Friedlander with a Couroc tray with the Chapter's otter design in appreciation

for speaking at our Chapter. The meeting was adjourned at 12:45 P.M.

Membership Survey

The Monterey Chapter wants you. Wants you as a member and wants to provide you with the best speakers it can. We conducted a survey a while back to ascertain our members' needs but only 7 out of a membership of close to 100 responded. Although we, the Executive Board, were provided good feedback from the 7; it was still only 7, a far cry from 100. So we thought we'd try this again, but instead of leaving copies of the survey at our General Membership meetings where our turn out is about 20, we thought we'd go another route - email. Attached to the back of this month's newsletter, which was also emailed to you, is our survey. We ask that you take the time to fill it out and email back to your Vice President. Their email address is at the back of this issue. Hopefully this is a better route to be in touch with you.

AGA Corner

The Association of Government Accountants is on to a fresh start with new officers and a busy schedule for the coming year. This year's calendar is full of training opportunities for our AGA members and prospective members. For \$3 to \$5.50 per month, our association offers quality Certified Government Financial Manager training material, monthly meetings with interesting topics and speakers, and the potential to earn continuing professional education credits. We are dedicated to expanding with AGA sister chapters in Silicon Valley, Sacramento, and San Francisco, by offering the widest selection of training

conferences and tools for your professional development needs. We welcome anyone interested in being a part of a national association with over 14,000 federal, state, local, college, and private industry members. For more information, please call Ms. Sulema Gaughran, Program Officer, at 583-3005.

Feature Article

Catching Fraud with Data Mining

Data mining could just be the next valuable computer tool in DoD's effort to combat fraud.

Operation Mongoose, a part of the Defense Finance and Accounting Service (DFAS) and a DoD fraud detection and prevention unit, has launched its fraud finding efforts into this new area of technology. Operation Mongoose, which specializes in computer matching, is the lead in DoD's pioneering effort to detect fraud through data mining with the Data Mining Project.

Data mining, itself only a few years old, draws upon several disciplines, among them statistics and artificial intelligence, that have been around the technology world for some time. Data mining is designed to look at very large data sets and find anomalies (unusual occurrences).

Data mining tools can be "trained" to find instances of a specific occurrence and it is in this way that it will be applied by Operation Mongoose. The data mining tools will be trained to find irregular payments that may be fraudulent. Thus far the Data Mining/Improper Payments Program Manager, Todd Friedlander, other members of Operation Mongoose staff, personnel from the Defense Manpower Data Center (DMDC) and several consulting organizations have been evaluating the data mining tools currently on the market.

Starting with over 40 data mining tools, a multi-stepped approach was used focusing on several criteria, from analyzing the company that markets the tool, to the breadth of algorithms

offered, to user friendliness. Operation Mongoose personnel worked along side the consultants in assessing the usability of the tools.

Actual data from the government's IMPAC card were run through 5 of the tools. The IMPAC card was chosen because the data was readily obtainable from the bank that manages the government's credit card program and the volume of transactions was high. The quality of the data is critical to the success or failure of any data mining operation, and numerous hours were spent ensuring that the IMPAC data provided all the necessary information.

Test results showed the feasibility of using data mining in Operation Mongoose operations. A Statement of Work is being prepared which will allow Operation Mongoose to move data mining into production status with vendor pay as the first area targeted to be mined. It is anticipated that data mining will be a good complement to Operation Mongoose's other fraud detection techniques.

National's News

On June 23 the National Executive Committee adopted a resolution to offer a test-based financial management certification program to members of the financial management workforce of the Department of Defense and the U.S. Coast Guard. Mr. William Lynn, Under Secretary of Defense (Comptroller) granted his support and asked other top financial management officials within the Department to do likewise. ASMC's intent is to work with the AGA to develop this program, which is to be an adjunct to the Certified Government Financial Manager (CGFM) program. It will be in the form of a test which can be taken in conjunction with the three part CGFM examinations or by itself by those who only wish to demonstrate expertise in departmental financial management. The key personnel in developing and directing the certification program are Mr. John Raines at (800) 462-5637 or email asmcjr@aol.com and LtCol (Sel) David Robinson at (703) 697-6712 or email

robinson.david@osd.pentagon.mil. Some chapters may be called upon to assist the Certification Committee, chaired by Major David Robinson (USMC). LTG (Ret) James F. McCall, ASMC Executive Director, plans on conducting a detailed discussion of the test development process at the upcoming Mid-Year National Council meeting.

The Mid-Year National Council meeting will convene November 17-19 in Washington, DC. This event will have full DoD sanction and will provide an update on current resource management issues. In addition to DoD presentations, the 1999 PDI in San Diego will be discussed and an update on the Certification Program will be provided.

The National Council has tasked all chapters to vote on two issues by October 30, 1998. The results will be binding as long as a quorum of chapters respond.

Note: Your Vice President will be emailing you your ballot shortly.

Issue No 1: Life Membership

This is a change in policy, not a constitutional change.

The absolution from dues after 20 consecutive years of membership has been a long-standing practice of the society, but is not codified in the Constitution. Because of the drain in membership dues, the society is considering a policy change which would require life members to continue to pay membership dues. Approximately \$20K in dues revenue will be lost annually beginning in 1999. This revenue, if not replaced by other sources, will result in a dues increase of approximately \$1.25 per member. All life members before October 30, 1998 would be "grandfathered" and would not continue to pay dues. All life members after this date would receive national and local recognition but would continue to pay dues.

Resolved that effective November 1, 1998 persons with 20 consecutive years' membership will continue to receive a renewal invoice and be requested to pay annual dues. These members will receive recognition in the Armed Forces

Comptroller Magazine, and at the National Professional Development Institute.

Issue No 2: Associate Membership

This is a constitutional change.

The number of persons performing financial management functions for the government who are not direct federal government employees is increasing. The number will continue to grow if more and more functions are contracted out. Under the current ASMC Constitution persons performing these functions who are not direct government employees must be accepted in the ASMC as "Associate Members". In addition, personnel from related specialties such as logistics are admitted as associate members. The constitution currently limits the participation of Associate Members in that they cannot hold office or make motions. The resolution below would remove all limitations, and allow full participation by Associate Members.

Resolved that so much of Article V, section 6 as reads "Honorary and Associate Members have the right to speak at meetings but not make motions, vote or hold any office in the society." be amended to delete the reference to Associate Members, and read as follows: "Honorary Members have the right to speak at meetings but not make motions, vote or hold any office in the society."

September Meeting

Our September general membership meeting and luncheon will be held Friday, September 18, at 12:00 in the Terrace Room, Herrman Hall, Naval Postgraduate School. Our guest speaker will be Mr. John M. Evans, Deputy Director for Revolving Funds, Office of the Under Secretary of Defense (Comptroller).

Mr. Evans has worked on the Program/Budget staff of the Under Secretary of Defense (Comptroller), Department of Defense since 1989. Since joining the Comptroller's staff he served as a Senior Budget Analyst

for a number of major Department-wide programs including the DoD Family Housing Program, the DoD Real Property Maintenance Program, Navy Military Construction, and DoD Depot Maintenance. From August 1992 to March 1995 Mr. Evans was responsible for budget review and financial analysis of the Depot Maintenance Business Areas of the Defense Business Operations Fund (DBOF) including Navy Shipyards, Navy and Air Force Aviation Depots, Army and Marine Corps Maintenance Depots, and Ordinance Stations. In March 1995, Mr. Evans was promoted to the position of Deputy Director for Revolving Funds, Program/Budget, and entered the Senior Executive Service.

As Deputy Director for Revolving Funds, Mr. Evans assists the Director in financial management oversight for all DoD revolving and working capital funds, including the Defense Working Capital Funds (formerly called DBOF) which has \$74 billion in annual sales, the Commissary Trust Fund, the Pentagon Reservation Maintenance Revolving Fund, and the National Defense Stockpile. His specific areas of responsibility include budget policy, budget review and formulation, congressional budget justification, funds allocation and cost control, and program execution and evaluation.

From 1986 to 1989, Mr. Evans served as a senior budget analyst in the office of the Comptroller, Defense Logistics Agency where he had the budget and financial responsibility for Agency-wide Real Property Maintenance programs, Family Housing, and the DLA Military Construction programs.

From 1983 to 1986, Mr. Evans served as the Deputy Director for Personnel and Administration, Military Traffic Management Command, Western Area, Department of Army. Prior to his work for the Army he was employed by the Department of Navy at the Naval Air Rework Facility, Alameda, where he began his government service in 1973. While employed at both the Alameda Depot and Alameda Naval Air Station, Mr. Evans served in several positions having responsibility for production manpower management, work load and resource planning, budgeting, position management, and personnel management.

Mr. Evans has also served as a curriculum consultant and instructor at the University of San Francisco, Graduate School of Public Administration. His undergraduate degree is from California State University, Chico and his graduate studies were at the University of San Francisco. He also attended the Federal Executive Institute in Charlottesville, VA. He is an ASMC member of the Washington Chapter and resides with his wife and daughter in Alexandria, VA.

Member News

- Bev Lemon completed the Professional Military Comptroller School on September 25, 1998.
- Rainy Lowery is a new member.

Points of Contact

Chapter President - Bev Lemon

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Membership Survey

1. What type of subjects would you like to have addressed at the monthly luncheons?
2. Would you be willing to attend training symposiums sponsored by our Chapter?
3. Is there any specific type of training you would like us to sponsor?
4. If the chapter had fund raising events, would you be willing to help?
5. What type of fund raising events do you think would help our Treasury?
6. Would you be willing to attend meetings after duty hours instead of at lunch?
7. Do you know of anyone who would be willing to speak or provide training free of charge at a meeting/luncheon? If so, please provide their name and telephone number.
8. What are your concerns regarding our Chapter?
9. Do you attend our monthly meetings? If not, please share why you don't?
10. Other comments/questions you may have.
11. Your name, telephone no, and email address (Optional).

Note: The survey is in WORD 6.0 so feel free to open up the space between questions if you need more room.