



BY: MARIE FORCE

AN INTERVIEW WITH AGA EXECUTIVE DIRECTOR Relmond P. Van Daniker, DBA, CPA

ON OCT. 1, 2003, AGA WELCOMED A NEW EXECUTIVE DIRECTOR FROM "OUTSIDE THE BELTWAY." RELMOND P. VAN DANIKER, DBA, CPA, A 32-YEAR MEMBER OF AGA'S CENTRAL KENTUCKY CHAPTER, MOVED FROM LEXINGTON, KY, TO ALEXANDRIA, VA, TO TAKE OVER THE HELM AT THE ASSOCIATION'S NATIONAL OFFICE.

AFTER 25 YEARS AS EXECUTIVE DIRECTOR OF THE NATIONAL ASSOCIATION OF STATE AUDITORS, COMPTROLLERS AND TREASURERS AND 30 YEARS AS A PROFESSOR OF GOVERNMENTAL ACCOUNTING AT THE UNIVERSITY OF KENTUCKY, "VAN" BROUGHT A WHOLE NEW PERSPECTIVE TO AGA AND AN INFLUX OF ENERGY AND IDEAS THAT HAS YET TO ABATE SEVEN YEARS LATER.

Since his arrival, AGA has grown from a \$3-million-a-year operation to an annual budget of nearly \$7 million. The staff has evolved from fewer than 20 to nearly 30.

By commenting on exposure drafts, holding top-rate conferences, publishing research, offering innovative new ideas and making intergovernmental cooperation a top priority, AGA has earned a "seat at the table" at the highest levels of federal, state and local governments. The Corporate Partner Program now numbers 80 firms, 25 research reports have been published since 2003 and it is no longer unusual to welcome more than 2,000 participants to the annual Professional Development Conference & Exposition (PDC).

In the past decade, the National Leadership Conference has become

a mini-PDC, bringing upwards of 800 attendees to Washington every February to discuss common leadership challenges faced by all levels of government. Additionally, AGA has added three new conferences to its annual docket: the Internal Control & Fraud Conference and the Performance Management Conference (PMC) both held in the fall, and the new Federal Performance Conference, which was offered for the first time this spring.

Van is always thinking of new ways that AGA can play a role in the government accountability community. Fond of sayings such as, "If not us, who? If not now, when?" or "We cannot just say 'ain't it awful'. What we need to say is what are we going to do about the problem?," Van never strays from his message that AGA members can and should play a "thought leadership" role in fixing what is wrong with government financial management and reporting.

To that end, he suggested AGA's Citizen-Centric Reporting Program, which is designed to give taxpayers a brief four-page snapshot of where their government stands financially and what challenges lie ahead. The Citizen-Centric model has been widely embraced across the country as more and more government leaders realize that when it comes to reporting to the citizens, less is truly more. A two-page Stimulus Report has now been added, which the Recovery Accountability and Transparency Board is using as an illustrative example for governments to adopt.

The "Van Daniker Era" has been a fast-paced whirlwind of change and growth for AGA. I sat down recently to talk to Van about his tenure, his plans for his remaining time as executive director and his fondest hopes for AGA.



MARIE: In your seven years as executive director, what do you feel is AGA's single greatest accomplishment?

VAN: When I arrived at AGA in the fall of 2003, the Association was well positioned to be a major player in the government financial management arena, but it had not yet broken through to the top levels. Since then

I believe we have made vast strides in making AGA a significant player. AGA has established itself as a knowledgeable and valuable asset in governmental financial management, and as a result has earned a seat at the table with the top decision-makers in government. Those decision-makers are coming to us now, asking for our assistance in advancing their efforts on a wide variety of issues because they know we are the only group with access to federal, state and local government accountants, auditors and budget professionals as well as those working in the private sector and academia. That would not have happened 10 years ago, and it is an accomplishment I am particularly proud of.

MARIE: Since you became executive director in 2003, AGA has grown exponentially, more than doubling the operating budget and adding staff. To what do you attribute this phenomenal growth at a time when other associations are seeing shrinking numbers?

VAN: By becoming more active in governmental financial management AGA has become a leader. We are leading and participating in a number of activities that are of concern and interest to our members working in all areas of the government finance profession and they are anxious to participate. Thought leadership is a mantra but it really means that AGA is now a player and that what we do and say matters. Sponsors see the value and provide resources so they can participate, not only with AGA at large, but with the officials who are attending our events. Senior-level governmental officials are now attending and participating, and the sponsors see that and want to be able to talk to them. All of this works together—but you must be seen first as a player. Couple these activities with the financial crisis and a great opportunity emerged for AGA to be a leader at a time when leadership was desperately needed.

MARIE: Under your tenure, AGA has greatly expanded its research program. Can you tell us why you believe this is a critical role for AGA to play in the financial management profession?

VAN: Research is a necessary element in establishing your credentials as a player. Organizations that are not involved in research are not being taken as seriously. Conducting research demonstrates both competency and interest in your professional area and others notice. AGA has conducted both empirical and applied—best practice—research to provide our members with information to improve themselves technically and help them in solving problems on a day-to-day basis.

MARIE: AGA has become much more active about commenting on exposure drafts on standards and other financial management issues. How has this helped to raise the Association's stature in the profession?

VAN: Other than AGA, there are only two organizations that consistently comment on technical material—NASACT and the Government Finance Officers Association. Again, if the organization wants to be taken seriously they must participate in the professional field, and part of that action is responding, through the Financial Management Standards Board, to the technical pronouncements. AGA's comments are carefully considered and eagerly awaited by the standards-setters, who will not normally move forward without our comments. This recognition once again demonstrates that AGA is regarded as a player.

All of these comments reflect the maturing of AGA into a truly professional association. The staff reflects the professionalism, which is seen by the members, the sponsors, the standards-setters and others in the governmental community. We have raised the level of the organization to a point where others want to belong. People want to hang with a winner, and AGA is a winner.

MARIE: I know you feel the same way about AGA's education program, which has also grown tremendously. Can you tell us about some of the enhancements that have been made in recent years and why you felt new approaches were necessary?

VAN: Part of AGA's strategic plan involves providing education for our members. In the past this education

was primarily delivered through conferences. As the methods of providing education activities have changed, AGA needed to not only develop an education program, but the program had to be available in a form that works for the members. We now have onsite classes, audio conferences and our regular conferences. We hope to soon start a program of webinars.

The different approaches are necessary because educational opportunities must be related to the individuals. The nature of communication has changed and AGA must change with the times. We need to take the education to the individual rather than the individual coming to a training site. Of course, all of the training must be correlated in a manner to earn not only the approval of the AGA Professional Certification Board, but also the National Association of State Boards of Accountancy.

MARIE: One of my favorite Van Daniker-isms is, "This is not your grandfather's AGA." How is AGA different today than when our grandfathers were running it? How is it the same?

VAN: Previously, AGA focused on compliance with financial statements, particularly audited, had one or two conferences a year, an administrative staff that was not versed in technical matters. Back then, the Association was federally focused and not particularly innovative.

Jeff Steinhoff started the change when he and others established the Certified Government Financial Manager (CGFM) Program in 1994, which put some oomph in AGA. Prior to my arrival, the Corporate Partners Advisory Group (CPAG) was formed. Over time, the private sector has become a significant contributor to AGA's success. We have added technical expertise to the staff, respond to all pronouncements, added the Performance Management Conference, Internal Control & Fraud Conference, Federal Performance Conference, the black-tie Certificate of Excellence in Accountability Reporting awards ceremony, Sectional Leadership Meetings, a full research program, strong educational classes, Government Financial Management courses, the Intergovernmental Partnership and have had record attendance at all conferences.

How did all these things occur? Times have changed, and AGA has stepped up to be the leader by participating technically in governmental accounting. I do not want to slight the grandfathers, but this is a new world of more timely and relevant information. AGA was the right organization at the right time with the leadership that was prepared to be the catalyst for moving forward. We did all of this without changing the strategic plan. This plan was broad enough to permit the actions that were taken. There were many participants—Bobby Derrick, Rick Fair, Hank Steininger, Sam McCall, the Corporate Partner Advisory Group, the Professional Certification Board and numerous others players.

AGA's actions created a momentum and good things started to occur. Success breeds success, and folks got on the bandwagon. The world has changed—too much debt, too little revenue, distrust of government by the electorate and the need for timely and relevant information—all played a part in setting the stage for the modern-day AGA.

MARIE: You mentioned the Professional Certification Board, which oversees the CGFM designation. In this decade, CGFM has evolved into an exam-based certification and the numbers have fluctuated as new CGFMs came onboard via exam and others retired. Where do you think CGFM stands today and what are the major challenges that remain?

VAN: The CGFM designation is now able to stand on its own merit. We have had a good number of individuals passing the exams and becoming CGFMs. At the same time, we have substantially increased the number of individuals taking the Governmental Financial Management courses. Taking those courses and studying and passing the CGFM Exams raises the level of governmental financial management knowledge.

While the CGFM certification has reached a certain level, it still has a long way to go before it reaches the status of "the" certification for government. The CGFM needs to become the preferred designation for governmental financial managers and to accomplish this we need considerable outreach into all facets of the governmental community.

The foundation has been set: Examinations have been developed and updated, study guides created, application processes formalized and examination procedures established. Now we need to reach out across the country, especially through our chapters, to encourage the hundreds of thousands of governmental financial professionals to learn more about their profession and study for and pass the CGFM Exams.

The surveys we have conducted on trust in government have indicated that the citizens want more financial information from their government. AGA members are in the perfect position to provide this information. We need competent managers with knowledge of governmental finances to use their skills to make the information available to the citizen. In furthering this effort, a CGFM designation would be a significant plus for the individual and, as a result, it is important that we substantially increase the number of CGFMs.

MARIE: What do you see as the greatest single challenge confronting the accountability profession today and how can AGA play a role?

VAN: The real concern is that unless the accountability professionals assume their rightful role they will become irrelevant and other professions will move in to take their place. The electorate does not trust government, so how do we develop information and reports that will provide the information for the decision-makers, especially the taxpayers and voters, to make responsible decisions? Statisticians, political scientists, economists and others will move in to provide the information for the taxpayers if we do not take a leadership role now. I believe that we have a responsibility to be the leader in governmental financial management. If we do not accept and run with the leadership we may revert to being bookkeepers and lose our seat at the table when decisions are made. We must answer the question, "What value do the financial managers bring to the table?"

MARIE: You are a big proponent of reporting to the citizens in a meaningful way that is easily understood and digested. What do you think of online reporting websites, such as *Recovery.gov*, and do you see this

type of technology as the wave of the future in reporting or does it worry you to have data posted without meaningful review and analysis?

VAN: The Obama administration is to be commended for the development of the *Recovery.gov* website. However, that site is not sufficient to provide the information that is needed by the decision-makers. Reports and documents must be created so this data becomes useful for decision-makers, especially taxpayers and citizens. A fundamental issue is what group is going to develop these reports. Going beyond the Recovery website, significant other information from government will be posted on other websites and reports will need to be created to provide information in a form that is timely, relevant and useful. This is the new world I mentioned. AGA has developed both the four-page Citizen Centric Report and a two-page Stimulus Report to encourage citizen-friendly reporting.

There will be significant security issues with this proliferation of data. Already there have been sophisticated attempts to defraud the government using information on the website. Federal ID numbers and contract terms have been published and individuals have used this information to defraud government. However, with all the problems, the proliferation of information has just started, and the government finance professionals better get in front of the oncoming deluge.

MARIE: It seems that everything you have done in your life was preparing you for the job you have now. Do you agree with that? What was it about AGA that made you willing to live away from your lovely wife Dolly as well as your children and grandchildren for all these years?

VAN: I would prefer that AGA was headquartered in Lexington, Kentucky, because my family is located in the Blue Grass State. Coming to Alexandria, Virginia, was perhaps the most difficult part of the job and the most difficult decision. I do return home, generally, every other weekend but that is not the same as living in Lexington. I thank my bride of 43 years, Dolly, for permitting me to make the decision to spend the past seven years at AGA.



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Dolly and I have five children and nine grandchildren, and all but one son live in Lexington. We were delighted last year, after the PDC, to travel to France with our family to see our son, Derek, ordained as a priest. He is currently stationed in France. While the family understands my job is in Alexandria, I do miss not having them around.

Some have asked, "Why did you take this position?" I saw this as a challenge and an opportunity to use my background to move the governmental financial management profession forward. I taught both at the University of Maryland (four years) and University of Kentucky (31 years) about the importance of governmental financial management. I was, at the same time, executive director of the National Associations of State Auditors, Comptrollers and Treasurers (25 years) leading the state fiscal officers. AGA presented the opportunity to combine the academic as well as the state background and merge those experiences with the federal perspective. Additionally, the number of AGA chapters and members and the possibility of influencing governmental financial management were particularly enticing to me. Whether everything that I had done previously prepared me for this position may be debatable, but the past experiences were very helpful.

MARIE: What do you see as the single greatest challenge or concern for AGA in the next 10 years?

VAN: The citizens do not have trust in government. AGA members are uniquely qualified to provide the information needed to help restore

the trust. If this responsibility is not met, then we will have disappointed the taxpayers as well as negatively impacted the future of governmental financial management.

I believe AGA has established a "thought leadership" position in the profession and the membership and taxpayers expect the association to continue being the leader. "Will the association continue the role that has been established?" is the basic question.

MARIE: In a few years, you will most likely turn the baton over to your successor. When that day comes, how would you most like to be remembered and what will be your fondest hope for AGA's future?

VAN: I hope to be remembered as someone who provided the passion and vision to have AGA become the "thought leader" in governmental financial management. AGA has turned the corner and moved to the forefront through the collective efforts of a significant number of people. The AGA staff is bright, talented, hardworking and has the vision of thought leadership for AGA.

The AGA members are energized, the governmental officials are now asking AGA for assistance and the need for AGA to step forward is significant. The table has been set, now AGA needs to move to the next step of "brand awareness."

"Brand awareness" means that AGA is sought out for advice and counsel, and it is provided to all disciplines across the profession. The CGFM, education classes, research and technical responses, performance management and reporting, and audio conferences have been developed. The administrative functions necessary to achieve the awareness are also established. The building blocks are in place, and AGA needs to grab the reins and move forward.

If not us, who? If not now, when?

MARIE: I often joke with Van, who turned 68 in August, that I'm waiting for him to start "acting his age," at which time most men are pondering retirement and hoping for more time on the golf course. For as long as Van occupies the corner office at 2208 Mount Vernon Avenue, I think it's safe to say there's no chance of him acting his age any time soon. ■

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