

# Nevada's New Controller

BY LORI COLACCIO PARKS

▶ What do you do after you have successfully owned your own CPA firm, served as Chair of the Institute of Management Accountants (IMA®), been ranked as one of the 100 most influential people in accounting, and even been named “Woman CPA of the Year”?

For most finance professionals, those achievements would mark the apex of their careers. But Kim Wallin isn't most people. Wallin, who can claim all those accomplishments, this electoral season sought and won election as controller of her native state, Nevada. For Wallin, who is both a Certified Public Accountant and a Certified Management Accountant (CMA®), her election reflects an endorsement of the critical skills that a CMA brings to this important public office—and provides inspiration for others considering a similar path.

Wallin's decision to enter politics came at the prompting of her party. After graduating from the University of Nevada at Las Vegas and beginning her career at a small public accounting firm, Wallin founded her own firm in 1984. She ran Las Vegas-based DK Wallin, Ltd., successfully for 22 years, but when her husband recently retired from the

Clark County Fire Department, Wallin realized she was no longer tied to her home county. “I was looking for a new challenge,” Wallin says. “I was considering corporate boards, things like that, and, then, members of the Democratic Party came to me and asked if I'd be interested in running for controller. I investigated the job and said, ‘why not?’ Frankly, a large part of the controller's job is looking for ways to save the state money and operate more efficiently, which is what I do for my business clients. It's just that, in this case, I'll be managing an annual budget of \$7 billion.”

## CMA Background Helped

Because the controller's role includes administering the state's accounting system, ensuring the collection of all monies owed the state, and providing recommendations for the most efficient, effective, and ethical use of



Kim Wallin

people's money, Wallin's CMA background made her an excellent candidate for the position. In fact, Wallin's credentials as a CMA proved the centerpiece of her campaign speeches and background literature. Her primary opponent, Steve Martin, was a Republican incumbent appointed this past July by the state government after the previous controller died suddenly. Martin is a CPA just like Wallin, but Wallin quickly differentiated herself: “In Nevada, there is no requirement that the controller be an accountant. So, often during the campaign I would say to people, if you get a CPA, at least that's a step in the right direction—but getting a

CMA would be even better.”

Wallin certainly knows first-hand the advantages of the CMA credential, having been actively involved in IMA for many years. She began her leadership career in 1981 as president of IMA's Las Vegas Chapter. At the national level, she has served as IMA vice president (1991-1992), chair of Member Services and the Strategic Planning Committee, chair of the ICMA Board of Regents, and member of the Education, Executive, and Academic Relations Committees. For the 2003-04 fiscal year, she served as IMA Chair after being nominated from the floor and elected by popular vote, the first person in IMA's 83-year history to be elected in this matter.

IMA President and CEO Paul Sharman praised Wallin for her victory: “I heartily congratulate Kim and wish her the very best in this new position. I believe that her involvement with IMA and CMA certification helped contribute to her exceptional leadership abilities. Her election to this critical state office clearly demonstrates how the CPA and CMA certifications create a well-rounded professional, one with a broad skill set that can be applied to numerous professional situations, including government.”

To explain why she was the more qualified candidate, during her campaign, Wallin used creative analogies to describe the difference between a CPA and a CMA: “I'd tell people, imagine that you're building a home. The CPAs are like the building inspectors. They don't necessarily have the skill set to build the house, but they are there to check if the work was done correctly. CMAs, on the other hand, are the general contractors. They know how to construct the building, and they have the specific knowledge and expertise to

manage the project.

“I also used the analogy of the medical profession and its specialties. I'd tell people that there are specialties in the accounting profession as well. So just as if you have a heart problem, you should go to a cardiologist, so, too, if you need a controller, you should hire a CMA.”

### **Finding Her True Interests**

Not that Wallin doesn't value the important skills CPAs possess. A CPA since 1980, Wallin knows the critical importance of the audit function. In her own career, however, she learned early on where her true interests lay. “When I started my own firm, I realized I didn't care to do auditing. Instead, I wanted to serve as controller for my small business clients.” With that in mind, Wallin took the CMA exam in 1993 and found that the skills covered by the CMA exam were exactly those her clients needed.

And it's those same skills that she will bring to her new position as state controller. As she says, “I am a CMA, which means that I adhere to high professional standards and have expertise in areas of decision support, planning, and control—which is precisely what a state controller does.”

Wallin already plans to use her CMA expertise to improve her state's controller function. One important component of her campaign was to require all individuals working in the state controller's office to abide by the *IMA Statement of Ethical Professional Practice*, which addresses competence, confidentiality, integrity, and credibility. When appropriate, she also will encourage her accounting staff and departmental liaisons to become CMAs.

Perhaps most important, Wallin also intends to change the funda-

mental role of the Nevada controller office. “Previously, we have been using the controller as a historian, someone who just recorded data. Instead, I want to look for waste and ways to improve efficiency,” she says. One way she plans to do that is by making reporting more user-friendly and transparent. Because not all departments interface with each other, she will strongly advocate that the office begin using XBRL (eXtensible Business Reporting Language), a framework for simplifying the exchange of financial statements, performance reports, accounting records, and other business information between software programs.

### **Time for More Changes**

Wallin's election will require personal changes for her as well. Because the controller's position is a full-time job, she will relocate from Las Vegas to the state capital in Carson City and place her firm in a blind trust. After her current four-year term, she has the option of running for an additional term.

Although Wallin admits that running for office required her to “step out of [her] comfort zone,” she recognizes the valuable service she is performing for her community, state—and the profession. “I'd encourage other CMAs to do public service,” she says. “Right now, there's a great need for accountants in the public arena. Frankly, if we had more accountants rather than lawyers in Congress, perhaps we could simplify the tax laws. There's a great push right now to help curb government waste, and what better people to do that than CMAs.” ■

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