

GOVERNMENT FINANCE OFFICERS ASSOCIATION OF SOUTH CAROLINA

Certification Program

Information and Guidelines



Updated December 2007

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Certification Program
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GOVERNMENT FINANCE OFFICERS ASSOCIATION OF SOUTH CAROLINA

The Government Finance Officers Association of South Carolina (GFOASC) was established as a nonprofit organization under the laws of the State of South Carolina in October 1984. The Association has active members representing various State agencies, county and local governments, councils of government, public educational institutions and private entities from around the State.

The objectives of the Association are as follows:

- (a) To study, discuss and recommend improvements in all aspects of governmental finance programs;
- (b) To provide a means for the exchange of ideas and experiences among government finance officers;
- (c) To promote and encourage professional competence through continuing education and training of government finance officers;
- (d) To promote and foster the professional stature of all persons engaged in governmental finance programs;
- (e) To collect, analyze and distribute to government finance officials information relative to the organization and administration of governmental finance activities; and,
- (f) To promote legislation which will endorse efficiency in the financial processes for all governmental units in South Carolina.

In an effort to fulfill these objectives, the Association, in cooperation with the Institute for Public Service and Policy Research at the University of South Carolina developed the Certification Program for Government Finance Officers.

CERTIFIED GOVERNMENT FINANCE OFFICER CERTIFICATION PROGRAM

The Certification Program targets financial officers and persons supervising financial programs in South Carolina State government, county government, local government and public educational institutions.

ADMINISTRATION

The Certification Program will be administered by a CONTRACTOR with oversight and direction from the certification committee, which consists of ten (10) members, including the Chairperson.

1. Appointments to the Committee will be made by the President of the Government Finance Officers Association of South Carolina.
2. The Certification Committee will be composed of two (2) representatives from each of the following general interest groups: State government, county government, local government, public educational institutions, and financial administration. Appointments to the Certification Committee will be for a period of two (2) years.
3. The Chairperson will be appointed by the President of the Government Finance Officers Association of South Carolina. This appointment will be for a period of one year.
4. The Contractor selected to administer the Certification Program will have experience in providing research, technical service, and training programs for governmental entities. The contractor will also have experience in developing, marketing, coordinating, and delivering training and educational programs.

OVERVIEW OF CERTIFICATION PROCESS

1. The CONTRACTOR notifies the Certification Committee of persons passing the examination.
2. The Certification Committee sends an application to those persons who have passed all core course exams.
3. The Certification Committee reviews the candidate's application to ensure that all requirements have been met:
 - (a) Minimum education and/or experience requirements have been met.
 - (b) Required core courses have been successfully completed.
 - (c) All core course exams have been passed within three calendar years (six exam cycles) of taking the first core course.
4. The Certification Committee notifies candidates as to whether their application has been approved.
5. Certified Government Finance Officer certificates are awarded at the GFOASC's fall conference.

CERTIFICATION PROCESS

ELIGIBILITY

A. General Requirements

To be eligible for certification, a person must comply with the following general requirements:

1. Be a member of the Government Finance Officers Association of South Carolina.
2. Adhere to the Code of Ethics of the Government Finance Officers Association of South Carolina.

B. Position

The following persons may apply for certification as a Government Finance Officer:

1. A person who is a finance officer for a State, county or municipal government; a school district or public institute of higher education; a public authority, planning council or council of government.
2. A person who holds a supervisory or professional position in a State or local government, public authority, council of government, school district, or public institute of higher education, with administrative responsibility for one or more financial functions (i.e. audit, cash management, investments, budget, accounting or inventory control).

The term "finance officer" as used in this document refers to any individual occupying a professional **governmental** level position who has oversight for/supervises one or more finance or accounting related functions.

The term "public authority", as used in this document, is defined as a non-profit organization created to account for business-like governmental activities. These activities are normally financed by revenues generated through taxes, assessments, and user charges. Candidates applying for certification, whose experience is with a public authority, will be eligible for certification if **any** of the following criteria is met. A governmental entity:

1. Appoints a majority of the public authority's board of directors.
2. Has the ability to:
 - a. Unilaterally abolish the public authority.
 - b. Remove appointed members of the public authority's governing body at will.
 - c. Modify or approve the public authority's budget.

CERTIFICATION PROCESS

ELIGIBILITY (continued)

- d. Approve rate or fee changes that affect the public authority's revenues.
 - e. Veto, overrule, or modify the decisions of the public authority's governing body.
 - f. Appoint, hire, reassign, or dismiss those persons responsible for the day-to-day operations of the organization.
3. Is legally entitled to or can otherwise access the organization's resources.
 4. Is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the public authority.
 5. Is obligated in some manner for the debt of the organization.

C. Experience and Education

1. Candidates applying to become a CGFO must meet the following **minimum** requirements:
 - (a) Bachelors Degree and two years experience as a finance officer, or
 - (b) Associate Degree and four years experience as a finance officer, or
 - (c) Six years experience as a finance officer.
2. Candidates must have been currently working as a finance officer for a **minimum** of two consecutive years prior to being certified.

D. Core Courses

1. The candidate must complete the following five (5) core courses prior to applying for certification.
 - (a) A four (4) day course in Financial Planning and Budgeting;
 - (b) A two (2) day course in Capital Planning and Forecasting;
 - (c) A two (2) day course in Financial Management;
 - (d) A four (4) day course in Governmental Accounting; and
 - (e) A two (2) day course in Financial Reporting and Auditing.

CERTIFICATION PROCESS

ELIGIBILITY (continued)

2. The core courses will be developed and presented by the CONTRACTOR. The courses are presented on the assumption that class participants have a basic knowledge of accounting and finance.
3. The CONTRACTOR will maintain a record of all core courses taken and satisfactorily completed by each candidate.
4. The core courses are non-graded courses; however, the instructors of the core courses will provide a list of questions and problems from class discussion and homework assignments to the CONTRACTOR for use in developing the certification examination.
5. Each candidate must attend at least seventy-five (75) per cent of the core course class meetings to:
 - (a) Receive a "Certificate of Attendance".
 - (b) Meet the education requirements of the Certification Program. Attendance of all participants will be carefully monitored by the CONTRACTOR.
6. There will be no credits or refunds for class time missed by a participant in a core course.
7. The CONTRACTOR will provide a "Certificate of Attendance" to each candidate who successfully completes a core course.

EXAMINATION

A. General

The examination shall be comprehensive and will cover in detail the topics from the core courses: Financial Planning and Budgeting, Capital Planning and Forecasting, Financial Management, Governmental Accounting, and Financial Reporting and Auditing. It is designed to test the applicant for certification and his or her ability to apply knowledge learned to practical problems.

1. The CONTRACTOR, with oversight and direction from the Certification Committee, will be responsible for preparing the examination each year.
2. The examination will be primarily objective. Questions will cover both knowledge of fundamental principles and their application. Questions concerning application will reflect, to the extent possible, experience for all types and levels of government.

CERTIFICATION PROCESS

EXAMINATION (continued)

3. Each part of the examination will state that it is to be answered in the context of South Carolina statutes and laws.
4. The CONTRACTOR will ensure that the examination has been validated according to professional and technical standards.
5. The CONTRACTOR will publicize reading materials helpful for the examination.
6. The CONTRACTOR will make study guides available for applicants taking the examination each year prior to the examination date.

B. Taking the Examination

The examination will be held twice a year during the months of May and November (for two consecutive days). The dates will be determined and announced no later than March 31 each year by the CONTRACTOR. This examination will be given in Columbia, South Carolina.

1. A person may sit for any or all parts of the examination once he or she has completed the related core course(s).
2. A person will be allowed up to three (3) hours to complete each part of the examination.
3. The scheduling of the exams will be at the discretion of the CONTRACTOR.
4. The examination will be proctored by members of the Government Finance Officers Association of South Carolina and/or the CONTRACTOR.
5. Except for materials furnished in the examination packet by the CONTRACTOR, no reference materials may be used in the examination. Persons taking the examination may use hand-held, non-programmable calculators.
6. All examination questions and materials are the property of the GFOASC. Questions and materials will be collected by proctors at the end of each part of the examination.

C. Satisfactory Completion

In order to pass a part of the examination, a person must earn at least the minimum score established by the Certification Committee for that part of the

CERTIFICATION PROCESS

EXAMINATION (continued)

examination. He or she may pass one or more parts of the examination in any one exam cycle. Successful completion of all five parts must be accomplished within three calendar years (six exam cycles) of taking the first core course.

Example: If someone takes their first course in September 2006, the first exam cycle starts in May 2007. Therefore, the latest they can take the exam is November 2009. If the candidate does not pass all parts of the exam in this time frame, they will be required to re-take all of the core courses to start over.

1. The CONTRACTOR will administer the tests, and maintain a record of persons sitting for the certification examination and their score on each part of the examination.
2. The CONTRACTOR is responsible for grading the examination under rules and procedures developed by the Certification Committee. All examinations shall be graded at least twice by the CONTRACTOR. Failing scores falling within five points of the passing score for any part of the examination will be re-graded.
3. Persons grading the examination will not be given the name of the person whose examination they are grading.
4. The CONTRACTOR will cause examination results to be distributed by certified mail to all candidates. Specific grades will not be published through the mail on parts of the examination passed by the candidates. He/she will only receive a "PASS" score indicating successful completion of that part of the examination. The candidate may obtain specific grades on such parts of examination by making a written request to the CONTRACTOR. However, specific grades shall be provided to the candidate through the mail on parts of the examination not passed.

APPLICATION FOR CERTIFICATION

A CGFO candidate applies for certification by submitting an "Application for Certification" to the Certification Committee, after passing all five parts of the certification exam within three calendar years (six exam cycles) of taking the first core course. The application must be properly completed, legible, signed and accompanied by the appropriate application fee. Candidates will be notified of the application deadline by the Certification Committee when they receive the application. This dates will usually be some time in July for the May exam and January for the November exam. The Certification Committee will rule on all requests for certification within sixty (60) calendar days. This date will usually be in August for the May exam and February for the November exam.

CERTIFICATION PROCESS

APPLICATION FOR CERTIFICATION (continued)

A CGFO candidate's Application for Certification is normally reviewed by a subcommittee of the Certification Committee. Accordingly, the Committee's approval or denial of the request for certification is usually based on the subcommittee's recommendation. In cases where a request for certification is denied, the candidate will be notified in writing of the requirements that were not met. The candidate may appeal the decision of the Committee in the following manner:

1. An appeal must be addressed in writing to the Chairperson of the Certification Committee. The Chairperson will submit the appeal to the Committee.
2. The appeal must be made within thirty (30) calendar days after the candidate receives notification that the "Application for Certification" was not approved.
3. The Chairperson will establish a meeting date to review the application and ensure that the candidate is available to attend on that meeting date, if he or she so desires.
4. The candidate's Application will be reviewed by the full Committee. The Committee will make its decision on the appeal within sixty (60) days after the Chairperson received the appeal.
5. The decision of the Certification Committee shall be final.

An "Application for Certification" form must be accompanied by an application fee. The Certification Committee establishes the fee amounts annually with approval of the GFOASC Board of Directors. Refunds will not be given.

CERTIFICATES

A. General

Certificates shall be awarded and distributed in the following manner:

1. Candidates who successfully completed the examinations during the current year in May and the prior November exam shall be ranked according to their composite grades on all parts of the examination.
2. Certificate numbers will be assigned alphabetically without regard to examination score.
3. For distribution of certificates at the Fall Conference, the highest ranking candidate shall be awarded his/her certificate first, and shall be

CERTIFICATION PROCESS

CERTIFICATES (continued)

acknowledged as having received the highest composite grade on the certification examinations in that calendar year for the May exam and in November of the prior year.

4. All other certificates distributed at the Fall Conference shall be awarded to successful candidates without regard to grades or rank. Such certificates shall be awarded in alphabetical order according to the last names of the candidates.

B. Delivery and Notification

At the Fall Conference of the Government Finance Officers Association of South Carolina, the Chairperson of the Certification Committee will award a certificate to each candidate that has successfully completed the certification process during the current year May exam and prior November exam.

The Certification Committee will:

1. Inform each new CGFO of the requirements and procedures to maintain certification.
2. Send an appropriate letter to the executive officer of the new CGFO's agency/organization and to local news media.

MAINTAINING CERTIFICATION

A. REQUIREMENTS

Continuing professional education (CPE) is required to encourage participants to remain abreast of current practice and to promote continued professional development. Participants who have met the requirement for certification and have been awarded certificates must complete a program of continuing professional education by receiving training which meets the standards approved by the Certification Committee and is consistent with the guidelines published by the Committee.

1. A participant must accumulate at least twenty (20) hours each year which will begin on January 1 with no more than four hours in personal development and at least four hours in the accounting/budgeting and finance categories. Up to 10 hours can be carried over into the next year in the other category. The participant must note on the form the hours to be carried forward for the next year. On the following year's form he/she must indicate the number of hours that were brought forward from the previous year.
2. The participant must remain a member of the Government Finance Officers Association of South Carolina.
3. If the participant fails to meet the CPE reporting requirements,, a fine of \$15 will be imposed and the participant will have until May 31st to comply. After May 31st, the fine will increase to \$25.00 and the participant will have until July 31st to comply. After July 31st, the committee will handle a revocation of certification on a case by case basis. If the participant's certification is revoked, he/she will be again required to complete the entire certification process as specified by the Government Finance Officers Association of South Carolina (except in cases of hardships which are approved by the Committee).
4. The participant may request and the Committee may grant partial or complete exemption from CPE and/or reporting requirements or an extension of time to report or earn CPE when good cause exists (such as military service or illness or mental or physical disability as certified by a medical doctor.) These exemptions/exceptions will be handled on a case by case basis and will not be approved for an individual more than once every five (5) years, unless it is due to long term military deployment.
5. A CGFO certificate holder who has retired or is on a leave of absence (LOA) from and is no longer substantially working in the government finance community need not meet the CGFO CPE requirement to renew his/her certificate. This CPE waiver applies to the full year in which the certificate holder retires or is on LOA.

MAINTAINING CERTIFICATION (continued)

The certificate holder must request this exemption in writing to the Certification Committee no later than the due date of the CPE report for the year (or be subject to late fees as described in 3. above). This request must indicate if this waiver is permanent; if the waiver is not permanent, it must be requested on an annual basis. The certificate holder must remain a member in good standing of the GFOASC.

When a certificate holder on waiver returns to work in the government finance community, he/she will be required to make up 10 hours per year for each year that the waiver was granted, up to a maximum of 30 hours. This time can be made up over a maximum of three years, and will be in addition to the hours required for the current year(s).

B. QUALIFYING COURSES

1. In order to be approved, a course must meet each of the following standards.
 - (a) The course must be at least fifty (50) minutes in duration for one (1) hour of credit and must be actual classroom instructional time exclusive of introductions, announcements, intermissions or other activity which may be part of the program/course.
 - (b) Each course must focus on a single subject, and each session of the course or meeting must be related to that subject.
 - (c) The course must either (1) focus on a subject that is not covered in any core course, or (2) address a core subject in more detail or in a more advanced manner than does the core course. The emphasis will be to enhance the skills of the participant.
 - (d) The sponsoring organization must maintain and issue to the participant a record of attendance. This record of attendance, or accompanying documentation must provide an adequate description of the course(s) attended.
2. The Committee will look favorably at the following type courses/programs.
 - (a) Professional development programs of recognized national and state accounting organizations.
 - (b) Technical sessions at meetings of recognized national and state accounting organizations and their chapters.

MAINTAINING CERTIFICATION (continued)

- (c) University or College credit courses in approved subject areas. Each semester hour credit shall equal 15 hours toward the requirement. In the case of universities or colleges on the quarter system, each quarter hour shall equal 10 hours.
 - (d) University or college non-credit courses. Each classroom hour shall equal one qualifying hour.
 - (e) Formal organized in-agency and inter-governmental education programs. Portions of each meeting devoted to administrative matters shall not be included.
 - (f) Programs offered by other recognized professional organizations.
3. The Committee has identified the following subjects as appropriate for maintenance of certification.

- (a) **Accounting/budgeting—includes subject area from all of the core courses (Financial Planning and Budgeting; Capital Planning and Forecasting; Financial Management; Governmental Accounting; Financial Reporting and Auditing)**

Examples: Financial statements and reports; measurement, recognition, and presentation of specific financial statement items; computer applications in accounting and auditing; planning and supervision of accounting services; study and evaluation of internal controls; auditing and EDP; substantive audit procedures; independent auditor's reports; government auditing; accounting and auditing for not-for-profit organizations; budgeting-general; and accounting and auditing-general (such as courses related to approved practice monitoring).

- (b) **Other**

Examples: Human resource management in government; management information systems; fixed asset management; long-range strategic planning; and Total Quality Management.

Software training is limited to four (4) hours per year, may not be carried forward, and must be reported as "other"—unless recognized by national or state standards as allowable CPE for Accounting & Auditing (ex: SC Board of Accountancy or AICPA).

MAINTAINING CERTIFICATION (continued)

(c) Personal Development

Examples: Communication skills; interpersonal management; memory skills; time management; stress management; goal setting; positive self image; public relations; personal financial planning; and professional ethics.

4. In order to qualify for CPE, courses must be related to the accounting and/or finance profession, either directly, or as personal development (see examples above). Unrelated personal interest courses, such as CPR or flower arranging do not qualify, even as personal development. If a participant is unsure about which category a course may qualify for, they are encouraged to contact the Association Administrator, who will contact the Certification Committee on their behalf for an opinion.
5. In addition, the Certification Committee will look with favor at the following other types of programs or activity:
 - (a) Formal correspondence or other individual study programs. Those claiming credit for such courses shall be required to obtain evidence of satisfactory completion of the course from the sponsor. Credit for formal correspondence or other individual study programs will be completed at the rate of one hour credit for each two hours of completion time as estimated by the sponsor or in accordance with the organization's recommended CPE value, whichever is less.
 - (b) Service as a lecturer or teacher in a continuing professional education program which is allowed based on the guidelines established above for allowable courses. For the initial offering, credit shall be granted equal to twice the number of hours participation in the course. No additional credit shall be granted for subsequent offering of the same course within a three (3) year period. Credit for service as a lecturer or teacher in a continuing professional education program shall be limited to fifty percent (10 hours) of the required hours for the reporting period.
 - (c) Teachers of University or College credit courses shall be granted at the rate of twenty hours for each course subject taught. Credit will be limited to the subjects listed in Section (B.3) above. Credit will not be granted for repetitious presentations within a three (3) year period. Credit for teaching college credit courses will be limited to fifty percent (10 hours) of the required hours for the reporting period.

MAINTAINING CERTIFICATION (continued)

6. The Committee has identified the subject areas (Section B.3) and the courses will be limited as indicated below.
 - (a) A minimum of four hours annually must be in the areas of Accounting/Budgeting—Financial Planning and Budgeting, Capital Planning and Forecasting; Financial Management; Governmental Accounting; Financial Reporting and Auditing (Core Areas).
 - (b) A maximum of four hours annually may be earned in the area of personal development.

C. FORMS AND REPORTING PROCEDURES

On or about November 1st of each year, the Certification Committee will distribute a form to each participant necessary for recording continuing professional education hours. These forms are available on the GFOASC website and are available to participants prior to the beginning of the calendar year in order that the participants may have a formal means of recording continuing education information as it occurs during the year. These forms must be returned to the Certification Committee after the end of each calendar year. The Committee must receive these forms no later than February 28th of the following year. A minimum of twenty hours a year must be submitted. The participants will be responsible for maintaining detailed information about continuing education. Such records will be subject to audit by the Committee for a period of five years. The Certification Committee will notify any participant if additional information is needed on the hours reported and will advise the participant if the number of hours approved is different than what was submitted.

CPA and CIA CPE forms are accepted by GFOASC for CPE reporting. When using one of the alternate forms, the participant must indicate the GFOASC category for the hours claimed.

D. RECORDS

A record of all CPE hours earned by a person will be maintained by the Certification Committee. The person earning the hours must ensure that appropriate records are available to verify such hours. The Certification Committee will maintain such records for a period of five years.

MAINTAINING CERTIFICATION (continued)

E. APPEALS

Appeals of any decision of the Certification Committee or of any established requirement may be made in writing to the Certification Committee Chair. The Certification Committee will respond within sixty (60) days with a decision.

Appeals of the Certification Committee decisions (except as noted under "Application for Certification" must be made to the GFOASC Board within thirty (30) days of receiving the Committee's decision. The Board will respond within sixty (60) days with a final decision.