

# **Government Finance Officers Association of Texas (GFOAT)**



## **Certified Government Finance Officers (CGFO)**

### **Program Guidelines**

Adopted January 2016

# Certified Government Finance Officers (CGFO)

## Program Guidelines

**Governance.** The Certified Government Finance Officer program is sponsored by the Government Finance Officers Association of Texas (GFOAT), an Affiliate of the Texas Municipal League. GFOAT is a professional organization with more than 1000 members that operates under its own By-Laws and is governed by a Board elected by its members. The policies of the Board are carried out by Board Liaisons, a number of committees and designated CGFO Administrator. The CGFO Committee is charged with overseeing and administering the CGFO program. The CGFO Committee advises the GFOAT Board and recommends changes to certain guidelines and operating procedures to be approved by the Board. This document, referred to as the General Guidelines, is meant to establish a written representation of the philosophy and policy of the CGFO Committee, and by extension, the GFOAT Board. However, it is not meant to cover every feasible instance of operating procedures and, as such, the CGFO Administrator and the CGFO Committee are granted a reasonable amount of latitude to make decisions that in the judgment of the CGFO Administrator, and the CGFO Committee Co-Chairs, are in keeping with the spirit of these General Guidelines.

**Description.** The CGFO program is designed to establish a threshold of knowledge about a broad array of government finance topics and terminology. It does take experience into consideration and recognizes that a combination of knowledge and experience can set apart those persons in the profession who desire to demonstrate a level of competency. This threshold is measured by a point system that gives credit for academic education, experience, professional leadership and successful passage of examinations on a variety of governmental finance topics. The number of exams that must be taken and passed is dependent on the credits given for academic achievement and experience. Upon being awarded the CGFO credential, recipients must continue their professional education in order to sustain their certification each year.

**Nomenclature.** The proper reference to this credential is *Certified Government Finance Officer*. While this program has a number of specific aspects tied to Texas law, the credential is much broader. This program has been used by a number of state government finance officer credentialing programs with few changes, mainly those portions relating to Texas law. The phrase *Certified Government Finance Officer* refers to not only those persons initially qualifying for the credential but those persons considered Active and in good standing, having met their continuing education requirements and paid their annual dues. Those persons initially qualifying for the CGFO status but not sustaining their continuing education requirements or paying their annual dues are not considered Certified Government Finance Officers and should not reflect the title or abbreviations as part of their professional name. A list of active CGFOs can be obtained on the Web site provided by the Government Finance Officers Association of Texas.

## SECTION I: CGFO PROGRAM APPLICATION

To become a candidate for the CGFO designation, an individual must:

Be a current member of GFOAT.

Complete the online application form.

Pay the online application fee.

Submit the following **required** documentation to [cgfo@tml.org](mailto:cgfo@tml.org):

- A current resume listing education, professional experience and key areas of responsibility
- A letter from the candidate's employer certifying employment capacity, tenure, and supervisory experience or referencing that the submitted resume is accurate (if applicable)
- A letter from a direct supervisor at a government finance agency verifying areas of responsibility and tenure (if applicable)
- Copies of all degrees awarded (if applicable)
- Copy of CPA certificate or CPA certificate number (if applicable)

Once materials and fees have been received and reviewed, the applicant will receive an email notice of application status.

If approved, applicant will receive an email with a link to the study materials and contact information for the CGFO Administrator.

If an application is not approved due to a condition not being met, the applicant will receive an email from the CGFO administrator identifying the issues and steps required to correct the problem. The application fee for those that submit an incomplete application will be held for maximum of six months without penalty. After this time, a \$50.00 administrative fee will be assessed and the remaining balance will be returned upon request within one-year of the initial application. After one-year of notice of ineligibility, the full application fee will be forfeited.

## SECTION II: FEES

### Application Fee

The processing fee for each candidate application is \$100.00.

- The application fee includes online access to CGFO record for review of status.
- The application fee **does not** cover the cost of exams; candidates must register separately for exams.

## Exam Fee

The exam fee is \$100.00 per exam.

- If a candidate fails an exam, the candidate may take a second attempt at the same exam at no cost. An additional fee of \$100.00 is required for a third sitting of the same exam and so forth.

The exam fee or second attempt of the failed exam will be forfeited if the exam is not taken within four years of initial payment.

## SECTION III: APPLICATION POINT SYSTEM

To achieve the CGFO designation, there is a 375-point requirement that can be met through a combination of four categories shown below. There is a maximum of 150 points that will be granted within the first three categories. \*Points for professional experience will **only** be used for the application process and will not be reassessed annually.

### 1. Academic Credentials

### 2. Professional Work Experience

### 3. Professional Leadership Involvement

### 4. Exam Scores With A Minimum Passing Grade Of 75% Per Exam

#### 1. Academic Credentials Points

Related field points are programs that are recognized as a part of the College of Business for undergraduate/graduate credit. In addition, course programs in political science, public administration, and government will be considered to be a related field for graduate credit consideration.

Doctorate in a related field	100 points
MBA	75 points
MPA (masters in public admin)	75 points
CPA	75 points
Graduate degree in a related field	50 point
Graduate degree in an unrelated field	35 points
Undergraduate degree in related field	50 points
Undergraduate degree in unrelated field	25 points

#### 2. Professional Work Experience Points

Points are awarded on the basis of each 12 month period from date of hire. Partial years will be awarded on the basis of the position held for 7 months or longer in the 12 month period. Value of points listed below are for years served for each position at the time of application.

Chief Financial Officer (CFO)	7 points
Division Head or Asst. CFO	5 points
Section Head (e.g., Chief Acct.)	4 points
General Practitioner (e.g., Acct.)	2 points

### 3. Professional Leadership Involvement Points

Points for leadership involvement will **only** be used for the application process and will not be reassessed annually. Points may only be claimed for one position on a committee. Items D-I requires at least one-year of membership in that position.

A	National Officer	50 points
B.	National Representative	35 points
C	National Committee Member	25 points
D	State Officer (per number of offices held)	25 points
E	State Regional Director	20 points
F	State Committee Member	10 points
G	State Committee Chairperson	20 points
H.	Certificate of Achievement Reviewer	35 points
I.	Budget Award Reviewer	25 points

The combined maximum number of non-testing points that can be claimed from categories 1, 2, and 3 is 150 points.

A reassessment of points by the CGFO Administrator may occur when all exams have been passed and you have not yet met the required points to earn your certification.

### 4. Exam Scores with A Minimum Passing Grade Of 75% Per Exam

See SECTION IV.

### SECTION IV: SUBJECT AREAS FOR STUDY AND EXAMINATION

Study Guide Disciplines include the five categories listed below. In addition, a compiled glossary covering all of these five areas and a summary of key state statutes covering many of these five areas is provided as part of the study program.

**Accounting & Financial Reporting**  
**Budgeting & Capital Planning**  
**Cash Management**  
**Debt Management**  
**Public Finance (Mandatory)**

Exams meet the following criteria:

- Multiple choice
- Each exam shall have 100 questions.
- Only recognized candidates may take tests.
- A maximum of two and one-half hours will be allowed for an exam sitting.
- Exams shall be based on study materials, practical knowledge and problem solving.
- Exams shall be offered as often as practical but at a minimum of twice yearly.
- Candidates may take no more than two exams per sitting and under no circumstances will the exam sitting period exceed two and one-half hours.
- The Public Finance exam is a requirement for all candidates. Other exams are elective and, may be taken in any combination to satisfy the candidate's point requirements.
- Candidates must provide their own laptop, iPad, or tablet to use at testing locations to access the internet and obtain their exam link.

- A grade of 75 must be made on each exam taken in order for the exam points to count toward the 375-point minimum requirement to become a CGFO (point for point awards for 75 and over).

Study materials and exams shall be updated and administered under the supervision of CGFO Committee.

Minor refinements and corrections shall be made as needed. Major revisions and additions shall be made periodically and upon the recommendation of the CGFO Committee and approval by the GFOAT Board.

Major changes may be accomplished with the help of outside assistance if deemed necessary by the CGFO Committee.

## **SECTION V: CLASSES OF CGFO**

**Active** CGFO is a member of GFOAT who is current in accumulation of continuing professional education (CPE) units and renewal fees.

**Retired-Emeritus** CGFO is a member of GFOAT who is retired from a governmental entity (i.e. receiving a pension/annuity) not currently employed in any capacity and current in accumulation of continuing education at time of retirement. Their CGFO annual fees will be half of the current rate for active CGFO members. CPE requirements are waived.

### **Probation**

An individual will go on probation by not meeting the standards of an Active CGFO. The probation is limited to one-year to become compliant. Once on probation and the standards of an Active CGFO have been met within the one-year, the individual will be reinstated to an Active CGFO classification. If after one-year the individual is not compliant, then the CGFO classification becomes inactive.

### **Inactive**

An individual failing to meet standards of an Active CGFO after the allotted probationary period is Inactive. While inactive, the individual is forbidden to use CGFO credentials in any capacity.

Once classified as inactive, individual must meet all criteria of an Active CGFO.

Once classified as inactive, individual must pay and sit for 1 exam of administrators' choice and pass with a minimum score of 75. If individual does not pass, the same exam may be retaken one time for no additional fee.

If individual meets all qualifications of an Active CGFO and passes the exam, they will be reinstated as an Active CGFO.

If the individual does not pass the second attempt at the exam, the individual will be removed from the program and no longer be allowed to use the CGFO credential. Should the individual want to regain usage of the CGFO credential they will need to re-enter the program as a new applicant.

## **SECTION VI: CONTINUING PROFESSIONAL EDUCATION (CPE) REQUIREMENTS**

The required number of CPEs is 75 total hours over a continuous, three-year period. (Jan 1-Dec 31).

One unit of continuing education is equal to 50 minutes of continuous participation in a group program. For example, a 100 minute training session will earn 2.0 CPE.

CPE training must conform to CGFO standards and be approved by GFOAT.

Records supporting individual CPE credits claimed must be kept by the CGFO for five years.

The process of accounting for CPE units of credit shall be self-administered by using the GFOAT website. CGFO certificate holders should post CPE credits throughout the year in order for progress to be monitored and reminders sent to the certificate holder.

### **Acceptable Types of Continuing Professional Education**

Qualifying Events are conferences, seminars, schools sponsored by the following, but pertaining directly to job-related duties:

- United States Government (GAO, etc.)
- State of Texas (Comptroller, etc.)
- Texas Municipal League or any of its affiliate groups
- AICPA when directly related to governmental activities or issues
- A university directly related to governmental activities or issues
- Government Treasurers Organization of Texas
- An entity approved by the CGFO Committee
- GFOAT
- GFOA

### **Qualifying Activities**

CGFOs involved in course or seminar instruction in an approved activity shall receive 2 CPEs per 50 minutes of instruction for the first presentation and 1.5x CPEs of credit thereafter, not to exceed 15 CPEs per calendar year.

Articles published for GFOAT use on the website are eligible for 2 CPE units for each 500-word article, not to exceed 15 CPEs in a calendar year.

Participation as a GFOA CAFR reviewer shall earn 2 CPE credits for each review with a maximum of 8 in one year.

Participation as a GFOA Budget reviewer shall earn 2 CPE credits for each review with a maximum of

8 in one year.

Proctoring GFOAT CGFO Exams shall earn 2 CPE credits per exam with a maximum of 8 in one year.

Chair or co-chair for the CGFO committee shall earn 8 CPE credits per calendar year. Chairs and co-chairs are also eligible to proctor exams and receive the allowed credit.

#### **SECTION VII: CGFO RENEWAL FEES**

CGFO renewal billing for each fiscal year shall be made part of the GFOAT membership renewal billing notices that are sent in July of the fiscal year. For example, the CGFO renewal billing of \$40 for fiscal year 2014-2015 shall be part of the GFOAT membership renewal billing sent in July 2014.

CGFO renewal payments that are not received by December 31 of the fiscal year shall be re-billed on January 1 at the rate of \$50 and will be due January 31.

#### **SECTION VIII: ETHICS**

All CGFOs are bound by the GFOA Code of Ethics and the GFOAT Code of Ethics and are subject to the disciplinary procedures (if any) established for violation of the respective Code of Ethics.

#### **SECTION IX: DEADLINE FOR COMPLETION OF CGFO PROGRAM**

Applicants must complete the program within four years of becoming a candidate.