

# Introduction to the Certified Government Finance Officer Program ( CGFO )

sponsored by the  
Government Finance Officers Association  
of Texas



# CGFO Program

Designed to establish a threshold of knowledge about a broad array of government finance topics and terminology.

Takes experience into consideration and recognizes a combination of knowledge and experience.

CGFOs are persons in the profession who desire to demonstrate a higher level of competency.

CGFOs must continue their professional education in order to sustain their certification each year



# Is the CGFO Certification worth it?

Increasing number of governmental finance job postings include, as part of the Typical Qualifications:

- Bachelor's Degree in Accounting, Finance or related field
- Five or more years experience directing municipal financial operations
- Certified Public Accountant (CPA), **Certified Government Finance Officer (CGFO)**, Certified Government Financial Manager (CGFM) and/or a Masters of Business Administration (MBA) required



# Is the CGFO Certification worth it?

Some comments from active CGFOs on the value of the program:

- *I chose the CGFO program because I believed it would help me further my career and give me some versatility in public finance since I don't have an accounting degree and don't qualify for the CPA exam. There are numerous networking opportunities and I believe my career has progressed at a fairly quick rate, in part due to the CGFO.*
- *Becoming a CGFO was a longstanding goal for me personally and professionally. In addition, many of my colleagues were obtaining the certification as well and I wanted to be a part of that elite group. Obtaining the CGFO increases your marketability professionally. In addition, you increase your knowledge base in preparing for the exams. There are a lot of benefits to the program. I wish I had done it 20 years ago.*
- *Do it! It can be time consuming but worth it if you plan on having a long-term career in municipal finance.*



# CGFO Program

## Requirements to become a CGFO

- Be a member in good standing of GFOAT
- Complete online application, submit required documentation, pay application fee
- Pass CGFO Exams (grade of 75% considered passing)
- Exams offered at least five times per year
- Exams are on-line





# CGFO Program

## Application Point System

A minimum of 375 points is required to achieve the CGFO from these four (4) categories:

1. Academic Credentials (PhD, MBA, MAcc, MPA, BS/BA, CPA, CMA, etc)
2. Professional Work Experience (Director, Asst. Director, Supervisor, Accountant, etc.)
3. Professional Leadership Involvement (GFOAT, GTOT, GFOA, etc.)
4. Exam Scores With A Minimum Passing Grade Of 75% Per Exam

*Note –  
a college degree  
is NOT required  
to become a  
CGFO candidate!*

Up to 150 points can be granted for categories 1,2 & 3



# CGFO Program

## Application Process

- Complete online application
- Pay the application fee
- Submit required documents to CGFO email address

### Required Documents include:

- Current Resume
- Letter from candidate employer certifying employment, tenure, and supervisory experience (if applicable)
- Letter from direct supervisor verifying areas of responsibility and tenure (if applicable)
- Copies of degrees awarded (if applicable)
- Copy of certificates (CPA, CMA, CIA, CFE, etc. - if applicable)



# CGFO Program

## Subject Areas for Exams

The CGFO program has produced five exams encompassing the varied subject and topic areas a governmental finance officer is likely to be engaged. In addition, there is a glossary of key terms a finance officer should be familiar. Passing the Public Finance exam is required for all CGFO candidates.

The subject and topic areas for the exams are (in no particular order):

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

Candidates must exhibit academic integrity during all CGFO sanctioned exams.





# CGFO Program

## Accounting and Financial Reporting Exam

The subject and topic areas for this exam include:

- Funds - types of and purpose of each
- Accounts
- Measurement Focus
- ACFR components
  - Introductory
  - Financial
  - Statistical
- Recent GASB Statements / Pronouncements



# CGFO Program

## Budget and Capital Planning Exam

The subject and topic areas for this exam include:

- Statutory Requirements for Budgets
  - Elements of the Budget
    - Policy / Policies
    - Financial Planning
    - Operations Guide
    - Communication to Citizens

*The above elements and how each tie to the GFOA Budget Award*

- Best Practices



# CGFO Program

## Cash Management Exam

The subject and topic areas for this exam include:

- Objectives of Cash Management
- Internal Control Practices
- Public Funds Investment Act (PFIA)
- Investment Policies and Strategies
- Investment Instruments
- Accounting for Investments and Interest
- Financial Management Procedures
- Treasury Management Services
- Banking RFP and Selection processes



# CGFO Program

## Debt Administration Exam

The subject and topic areas for this exam include:

- **Types of Municipal Debt** (GO, CO, Notes, etc)
- **Bond Team** (Bond Counsel, Financial Advisors, Underwriters, others)
- **Bond Structure, Marketing, Rating, and Sale**
- **Rating Agencies** (Moody's, Standard & Poor's, Fitch)
- **Debt Policies**
- **Other Financing Techniques**
  - **TIRZ/TIF** (Tax Increment Revitalization Zone / Tax Increment Financing)
  - **PID** (Public Improvement Districts)
  - **Impact Fee**





# CGFO Program

## Public Finance Exam

The subject and topic areas for this exam include:

- Governmental Revenue
  - Property and Sales Taxes (in-depth analysis of both)
  - Other Fees, Fines, Grants and Taxes
- Overview of Government Procurement and Purchasing
- Overview of Risk Management
- Overview of Public Pension Fund Administration



# CGFO Program

## Glossary

Each exam will have a 15-20-point section devoted to Glossary terms relating to the subject matter.

Glossary study guide is formatted for each exam



# CGFO Program

## Exam Study Guides / Exam Preparatory Review Sessions

The CGFO Committee has produced study guides for each of the five exams and a glossary of key terms a finance officer should be familiar with and use in their job.

Virtual CGFO Exam Preparation Review Sessions are presented twice per calendar year in a virtual format. Each session will be approximately 140 minutes in length. We will cover material needed to be successful on the exams. Extraneous material will be omitted so candidates can focus on material to be tested.



# CGFO Program

## Exam Criteria

All Exams meet the following criteria:

- 100 questions in a Multiple choice / Matching / True-False format
- Computer based, on-line exam
- Exam sessions are 150 minutes per session
- Exams based on study materials, practical knowledge, and problem solving
- Candidates may take one or two exams during each exam session offering
- A grade of 75 must be made on each exam taken for the grade to count toward the CGFO point requirement
- Exam fee is \$150 per exam
- You will receive a preliminary score at the end of each exam

At least five (5) exam sessions per year.





# Exam Comparison

	CPA	CMA	CGFO
Education	150 semester hours and Bachelor's	Bachelor's	No College Degree requirement
Experience	1 year under a CPA	2 years	None Required
Application / Exam Fees	\$ 975.00	\$ 1,100.00	\$ 100 Application + \$150 / Exam
Ethics Exam	Yes - Separate Exam	Yes, part of CMA Exam	None Required
Exam format	4 parts	2 parts	up to 5 exams
Multiple Choice Questions	276	200	100 per exam
Simulations	28	4	none
Written Communication	3	none	none
<i>above statistics as of September 2022</i>			



# CGFO Program

## Continuing Professional Education (CPE)

- CGFOs are required to attain 75 total hours over a continuous three-year period (Jan-Dec)
- CGFO hours must be posted to the individual's account on TML website and documentation retained for 5 years
- CGFO Committee establishes the three-year period (January 2025 - December 2027)



# CGFO Program

## 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.



# CGFO Program

## Wrap up

- CGFOs are respected by City Management and Elected Officials across the state -
- CGFOs represent proficiency in the main areas of municipal finance -
- CGFOs are required to maintain their skill sets during their career -
- CGFOs are bound by strict ethical standards -
- CGFO certification does not require a college degree -
- CGFO certification is very affordable -
- CGFO program provides study materials to assist candidates and study review sessions are available -
- CGFO exams are offered five times per year -
- CGFO is designed for you to be successful!





# CGFO Program

Questions

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Email CGFO Administrator [cgfo@tml.org](mailto:cgfo@tml.org)

