

**Government Finance Officers Association of Texas (GFOAT)  
Certified Government Finance Officers Program (CGFO)  
General Guidelines**



**Prepared By and Approved On April 25, 2004  
Professional Development Committee**

**Approved By  
GFOAT Board of Directors on April 25, 2004**

# Government Finance Officers Association of Texas (GFOAT)

## Certified Government Finance Officers Program (CGFO)

### General Guidelines

#### I. About the CGFO Program

- A. **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 an 800+ member professional organization 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 an appointed Executive Director. The Professional Development Committee, often referred to as 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 GFOAT Board. However, they are not meant to cover every feasible instance of operating procedures and, as such, the Board Liaison, the CGFO Committee and the Executive Director are granted a reasonable amount of latitude to make decisions that in the judgment of the Board Liaison, the CGFO Committee Co-Chairs and the Executive Director, are in keeping with the spirit of these General Guidelines.
- B. **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.
- C. **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 is being used by a number of state government finance officer credentialing program 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 consider 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.

#### II. Point System.

- A. To become a CGFO, there is a 375-point requirement that can be met through a combination of four categories show below. There is a maximum of 150 points that will be granted within the first three categories.
1. Academic credentials.
  2. Professional work experience.
  3. Professional leadership involvement.
  4. Exam scores with a minimum passing grade of 75% per exam.
- B. Points Measurement by Academic Credentials.
- |                                 |            |
|---------------------------------|------------|
| 1. Doctorate in a related field | 100 points |
| 2. MBA                          | 75 points  |
| 3. MPA                          | 75 points  |
| 4. CPA                          | 75 points  |

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|---|-----------|
| 5. Other certification considered on a case-by-case basis |           |
| 6. Graduate degree in a related field                     | 50 points |
| 7. Graduate degree in an unrelated field                  | 35 points |
| 8. Undergraduate degree in related field                  | 50 points |
| 9. Undergraduate degree in unrelated field                | 25 points |

Related field is considered for this purpose to include:

- a. Programs customarily recognized as a part of the College of Business for undergraduate/graduate credit.
- b. Course programs in political science, public administration and government will also be considered to be a related field for graduate credit consideration.

Final determination of points awarded for credentials shall be made by the Professional Development Committee.

C. Points Measurement by Experience.

1. General guidelines.

- a. Points are awarded on the basis of each 12 month period.
- b. Each 12 month period begins from the applicant's date of employment with a government entity.
- c. Partial years will be awarded on the basis of the position held for 7 months or longer in the 12 month period.

2. Value of points which can be awarded annually for each position.

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|---------------------------------------|----------|
| a. Chief Financial Officer (CFO)      | 7 points |
| b. Division Head or Asst. CFO         | 5 points |
| c. Section Head (e.g., Chief Acct.)   | 4 points |
| d. General Practitioner (e.g., Acct.) | 2 points |

D. Points Measurement by Leadership Involvement

1. General guidelines.

- a. Points awarded are non-cumulative.
- b. Points may not be claimed for Committee membership and Committee chair for the same Committee.

2. Professional Involvement Recognized.

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|---|-----------|
| a. National Officer                           | 50 points |
| b. National Representative                    | 35 points |
| c. National Committee Member                  | 25 points |
| d. State Officer (per number of offices held) | 7 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 |

E. Maximum accumulation of points possible from non-testing criteria above.

1. The total number of points that can be claimed: 150 points.
2. The determination of the applicable cap is based upon the date which the applicant's application is substantially complete (see Section IV)

F. Deadline for Completion.

1. Due to the ever-changing nature of this field, study guides and tests are updated periodically. Substantial changes that affect examinations may result in a phased-in approach, the determination of which may be made by the Professional Development Committee.
2. Candidates are encouraged to complete the program within five years after becoming a candidate.

III. Subject Areas for Study and Examination.

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

1. Financial Administration (Mandatory)
2. Accounting and Financial Reporting.
3. Budgeting and Capital Planning.
4. Cash Management.
5. Debt Management.

B. Exams.

1. Predominately multiple choice.
2. Each exam shall have 100 questions.
3. Only recognized candidates may take tests (see Section IV).
4. A maximum of two and one-half hours will be allowed for an exam sitting.
5. Exams shall be based on study materials, practical knowledge and problem solving.
6. Exams shall be offered as often as practical but at a minimum of twice yearly.
7. Candidates are encouraged to take no more than two exams per sitting but under no circumstances will the exam sitting period exceed two and one-half hours.
8. The Financial Administration exam is a requirement for all candidates. Other exams may be elective depending on the number of points needed to reach the minimum.
9. 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.

C. Study materials shall be suitable for self-study and adaptable for a classroom format.

1. Lesson plan format with study questions.
2. Bibliography and references to major publications.
3. Include a glossary and state statute references.

D. Study materials and exams shall be updated and administered under the supervision of the Executive Director and GFOAT Professional Development Committee. Minor refinements and corrections shall be made as needed. Major revisions and additions shall be made upon recommendation of the Professional Development Committee and approval by the GFOAT Board. Major changes may be accomplished with the help of outside assistance if deemed necessary by the Professional Development Committee and approved by the Board.

E. CGFO Candidacy Fees.

1. The fee for each of the five study disciplines is \$125.
2. The fee includes above study guides and materials provided in PDF format.
3. Provides the opportunity for a candidate to take the test for each discipline two times. An additional fee of \$125 would be required for a third sitting and for each additional sitting.

IV. In Establishing Candidacy in the CGFO Program the Applicant must:

- A. Be a GFOAT member in good standing.
- B. Be currently employed by a government agency or be actively involved in a field related to government finance.

- C. Fill out and sign an application form.
- D. Sign up and submit the appropriate fee for one or more study guides.
- E. Submit the following documentation.
  - 1. A current resume listing education, professional experience and key areas of responsibility.
  - 2. A letter from the candidate's employer certifying employment capacity, tenure, and supervisory experience or referencing that the submitted resume is accurate.
  - 3. Copies of all degrees awarded.
  - 4. Copy of CPA certificate or CPA certificate number.
- F. Receive notice from the application reviewer of acceptance into candidacy.

V. Classes of CGFO.

- A. Active.
  - 1. Member of GFOAT.
  - 2. Employed by governmental entity
  - 3. Current in accumulation of continuing education units and renewal fees.
  - 4. Probationary status: Deadline for CPE submission and renewal is January 31 of each year. If after one year probation, the required number of CPEs is still not met, then the CGFO on probation will have the opportunity to be removed from probationary status by taking an exam and scoring 75% or higher.
- B. Associate.
  - 1. Member of GFOAT.
  - 2. Not currently employed by governmental entity.
  - 3. Current in accumulation of continuing education units and renewal fees.
  - 4. Will automatically become Active if re-employed by a governmental entity
- C. Retired-Emeritus.
  - 1. Retired from governmental entity (i.e. receiving a pension/annuity).
  - 2. Not currently employed in any capacity.
  - 3. Current in GFOAT membership and CPE reporting at time of retirement.
- D. Inactive.
  - 1. Individual failing to meet standards to be in Active or Associate class.
  - 2. Individual found to be in violation of the GFOA or GFOAT Code of Ethics and rendered inactive by action of a deliberate body eligible to become active or associate again by:
    - a. Meeting standards required for active or associate status.
    - b. Paying renewal fees for years of not submitting CPE records (if failure to report is reason for inactive status).
    - c. Those designated Inactive through ethics violations are eligible if/when the ethics body so allows.
- E. All Active and Associate CGFOs will receive tangible recognition of their certification on an annual basis upon fulfillment of minimum continuing education credits and payments of annual dues.
- F. Upon completion, a CGFO certificate with a certificate number will be presented to each new CGFO as well as the organization's Code of Ethics.

VI. Continuing Professional Education (CPE) Requirements.

- A. Accumulation of CPEs reporting to commence one (1) calendar year after the certificate date. CPE requirements for the calendar year in which the CGFO credential is earned are fulfilled by the study for and successful passage of exams.

- B. The required number of CPEs is 25 for each calendar year.
- C. One unit of continuing education is equal to 50 minutes of continuous participation in a group program. For example, a two-hour training session would equal 2.4 CPEs (120/50).
- D. CPE training must conform to CGFO standards and be approved by GFOAT.
- E. CPE hours in a calendar year (January-December) accrued must be reported annually by January 31 of the following year to the CGFO Program Administrator.
- F. Records supporting individual CPE credits claimed must be kept by the CGFO for five years.
- G. The process of accounting for CPE units of credit shall be self-administered by using the GFOAT Web-based CPE Accounting System (CPEasy). CGFO certificate holders should post CPE credits throughout the year in order for progress to be monitored and reminders sent to the certificate holder.
- H. Acceptable Types of Continuing Professional Education
  - 1. Qualifying Events are conferences, seminars, schools sponsored by:
    - a. United States Government.
    - b. State of Texas.
    - c. Texas Municipal League or any of its affiliate groups.
    - d. AICPA when directly related to governmental activities or issues.
    - e. A university directly related to governmental activities or issues.
    - f. Government Treasurers Organization of Texas.
    - g. An entity approved by the Professional Development Committee.
  - 2. Qualifying Activities.
    - a. 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.
    - b. Articles published in the "Texas Government Finance" publication are eligible for 2 CPE units for each 500-word article, not to exceed 15 CPEs in a calendar year.
    - c. Participation as a GFOA CAFR reviewer shall earn 2 CPE credits for each review with a maximum of 8 in one year.
    - d. Participation as a GFOA Budget reviewer shall earn 2 CPE credits for each review with a maximum of 8 in one year.

## VII. CGFO Renewal Fees.

- A. Renewal fees for calendar year 2004 shall be changed to fiscal year 2004-2005 and shall be billed July 1, 2004 and shall be due October 15, 2004.
- B. Renewal fees for fiscal year 2004-2005 and thereafter shall be \$40 and shall be billed as a part of the GFOAT membership renewal fees billing process mailed in July 2004 and each July thereafter. Renewal fees for fiscal year 2004 -2005 not paid by December 31, 2004 shall be re-billed at \$50.
- C. CGFO certificate holders who have not paid by January 31, 2005 shall be notified that they will be considered Inactive and not be authorized to carry and use the CGFO credential if they have not paid by January 31, 2005.
- D. The same format and billing cycle will be used for fiscal year 2005-2006 and thereafter:
  - 1. 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 2005-2006 shall be part of the GFOAT membership renewal billing sent in July 2005.
  - 2. 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.

3. CGFO renewal payments from the second billing not received by January 31 shall result in a notice of revocation of the CCGO credential if the payment is not made by January 31.

#### VIII. Ethics.

- A. 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.

#### IX. Additional Program Information.

##### A. Information.

1. Information regarding the CGFO program shall be provided on the GFOAT Web site at [www.gfoat.org](http://www.gfoat.org).
2. A list of current CGFO certificate holders shall be provided on the GFOAT Web site and listed in the GFOAT newsletter at least once each year.
3. Reports showing the general statistics of candidate and program progress shall be prepared and presented to the GFOAT Board at regularly scheduled meetings.

##### B. Program Administrative Roles:

The CGFO Program is to be administered by the Professional Development Committee and other contractors as recommended by the Committee and approved by the GFOAT Board. The general task assignments are as follows:

###### Committee Role:

1. Determine guidelines for CGFO program and exams.
2. Approve/review eligibility for CPE credit.
3. Review exam results.
4. Proctor/coordinate exam sessions.
5. Review and update study guides/exam questions.
6. Be active supporters/“cheerleaders” for the CGFO program.
7. Prepare and present committee report to the Board.

###### Executive Director Role:

1. Administrative duties.
2. Exam administration and grading.
3. Record keeping.
4. Database management.
5. Website update.