

Are You Certifiable?

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The above question has been posed to me time and again over the years, probably for obvious reasons! (And the quick answer is...yes, I am! But I digress...) However, it was not posed from the perspective of how I am using it in this context. One of the most common phone calls or e-mails that I receive on a regular basis relates to the [North Carolina Finance Officers Certification Program](#). As more and more baby boomers have their retirement lunches and collect their gold watches (click [here](#) for more on that topic!), the turnover in local government finance across the state and the infusion of newly minted local government finance employees has contributed to the exploding interest in this program. This blog focuses on the specifics of the program, educational and testing requirements, and other frequently asked questions. A future blog post will address post-certification life – continuing education, employment requirements, and the like.

What is the [North Carolina Government Finance Officers Association \(NCGFOA\)](#) certification program?

The NCGFOA certification program was created over 30 years ago as a joint effort of the then North Carolina Public Finance Officers Association and the North Carolina Association of County Finance Officers (the two associations formerly merged into the NCGFOA in 2011). The program is governed by a Certification Committee made up of both municipal and county officials that are members of the Association and appointed by its President to serve one or more terms. Contrary to popular belief, the program is *not* a certification program of the [UNC School of Government](#). The School's role is to provide administrative and consultative support.

In general, who is eligible to be considered for certification?

Individuals that are a finance officer of a local government or public authority or individuals that hold a supervisory or professional position in a local government or public authority related to financial functions, such as internal audit, investments, budgeting, or accounting. The general rule is that an Associates degree or higher is required, although that requirement may be waived in some cases. Ultimately, to apply for certification after all educational and testing requirements have been met, individuals must be members of the NCGFOA.

What experience is necessary in order to apply for certification?

The basic experience requirements are:

1. At least one year's experience in North Carolina as a legally designated finance officer of a local government or public authority and at least one additional year of governmental financial management/responsibility, *or*
2. At least two years' experience in North Carolina local government finance and at least two additional years of governmental financial management/responsibility.

The experience must be within the five years that precede the application for certification.

However, the educational and testing processes may be taking place while the experience is being gained.

The "additional year or years of governmental financial management/responsibility" as referred to above may have been gained in another state.

May an advanced educational degree or other type of certification replace some of the experience requirements?

A master's or doctoral degree may replace one year of any experience requirements. Likewise, a valid Certified Public Accountant (CPA) would replace one year of experience requirements.

May the experience requirements be met in another state or may another state's finance officers' certification program be transferred to the North Carolina certification?

Generally, no. A valid CPA license would still count for one year of experience, but other types of state certifications are not transferrable. Work experience in another state may not replace the required "North Carolina years" of experience as referred to previously, but may satisfy the "additional year or years of governmental financial management/responsibility".

What are the educational requirements of the certification process?

There are five core courses related to the certification program, all that are in the UNC School of Government curriculum. An individual must successfully complete *four* of these programs. The five core courses are:

1. [Introduction to Local Government Finance](#)
2. [Governmental Accounting and Financial Reporting](#)
3. Budgeting and Financial Planning (two courses but counted collectively as one requirement)
 1. [Budgeting in Local Government](#)
 2. [Capital Financing in Local Government](#)
4. [Cash Management and Investment of Public Funds](#)

5. Effective Supervisory Management Program

Are there any waiver options for the core courses?

If one has completed the School of Government's [Municipal and County Administration Program](#), it can replace the Introduction to Local Government Finance program.

Experience may be used to waive core courses, as follows:

1. Three to six years of experience in North Carolina governmental finance may substitute one core course requirement.
2. Over six years of experience in North Carolina governmental finance may substitute two core course requirements.

It should be noted, however, that the courses themselves are excellent reviews for the related examinations.

Could other courses or programs be considered as waivers for any of the core courses?

Yes, potentially. The Certification Committee may be asked to approve whether or not a particular course or program offered by an institution of higher learning, a professional association, or other similar organization could be considered as an appropriate substitution. Such decisions are made on a case-by-case basis.

Does one have to take a core course *before* they can sit for the associated examination?

Actually, no. However, the core courses themselves are considered to be an integral part of the educational process in preparing one to be a certified finance officer. To that end, the general expectation is that the core course requirements will be met, regardless if the test is passed before completing the course.

Is there a possible “testing out” option for any of the core courses?

There is one opportunity for an individual to waive all core course requirements by examination. The exams themselves are administered twice a year (more on that shortly). If a person sits for and passes all four exams *within a calendar year's examinations*, all core course requirements that haven't been completed would be waived. If all four exams are not passed during this attempt, but one or more of them are successfully passed, the individual will receive core course credit for those parts passed. *However, the remaining core course requirements must be completed.*

What are the examination requirements?

There are four exams that must be successfully completed (i.e., pass with a grade of 70% or higher). *There are no waivers for the exams.* The four exams are as follows:

1. Governmental Accounting and Financial Reporting
2. Cash Management and Investment of Public Funds
3. Budgeting and Financial Planning
4. Financial Management (tied to the Effective Supervisory Management Program)

Except as noted above, the exams are obviously directly related to an associated core course. The Introduction to Local Government Finance course does *not* have a related examination, per se, but is rather a course that includes all related subjects.

Who develops the examinations and how are they structured?

The Certification Committee is responsible for developing the examinations, ensuring their administration, and for grading them. The Committee maintains a test bank for all exams and it is updated on a regular basis. As accounting and financial reporting requirements, in particular, are ever-changing, the testing topics will evolve as well. However, such changes in accounting and financial reporting requirements will not be tested on until they are required to be implemented.

The tests themselves are primarily objective. Usually, all four exams will have true/false, multiple choice, and problems/short essays.

When and where are the examinations given?

The exams are administered twice a year, generally in an eastern and western North Carolina site, simultaneously. While there may be slight variations depending on location options, the tests usually are administered in May and November. The tests are offered over a two-day period, in two four-hour blocks, each day. Individuals may take any part of the exam in any of the four-hour blocks as best fits their schedules. However, an exam must be completed within the four-hour block. While it is not recommended, one would be able to take two exams within the same four-hour block, but both parts would have to be completed within that time frame.

What should I bring to the examination site?

Individuals will be required to provide proper photo identification to sit for the exam. Pens, pencils, and blank paper may be brought to the site, but calculators will be provided (personal calculators and cell phones may *not* be used). No reference materials are allowed to be used. Cell phones must be on silent/vibrate mode at all times. The exams are proctored by individuals that have successfully completed the certification process or who have been specifically approved by the Certification Committee to serve as a proctor.

Once one registers to take an exam, they will be provided with a confidential identification number that will be the ONLY form of identification that should be placed on the exams themselves. *Names should never be put on the exams – they must be anonymous to the graders.* Proctors at the exam sites do NOT know the confidential ID numbers that are being used, so one should arrive knowing their personalized number. Proctors only have a list of names of those registered to take the exams. There is no potential matching by the proctors of the names and the identification numbers.

How many opportunities does an individual have to complete all four examinations?

The Certification Committee considers the “clock” to have begun once an individual successfully passes at least one of the four exams. Again, successful completion of an exam is to pass with at least a grade of 70%. From that point, an individual has 6 years to successfully complete the remaining exams. Any potential exceptions to this time frame may be appealed to the Certification Committee.

How much does it cost to take an exam?

While subject to change, depending on what is necessary to cover exam costs, the current fee structure to sit for one or more exams is as follows:

1. One part - \$50
2. Two parts - 80
3. Three parts - 110
4. Four parts - 140

Payment for the exams must be made to the North Carolina Finance Officers Certification Program (NOT the UNC School of Government). If one has to miss a scheduled exam, refunds are not given but rather the fee is applied to a future examination.

When are individuals notified of their exam results?

As was noted earlier, members of the Certification Committee grade the exams. This process usually takes 4-6 weeks. The School of Government is notified of the completed grades. Representatives of the School then match the exam identification numbers with the registration list and notify the individuals of their performance.

Are there any study guides and/or practice exams available?

There are no official study guides prepared for any of the exams. The primary resource for study would be the respective course itself and the associated materials. [Introduction to Local Government Finance, Third Edition](#) is a great resource for overall reference. In addition, Section

159 of the North Carolina General Statutes (click [here](#)) includes all of the basic requirements of finance officials in North Carolina. As for the Governmental Accounting and Financial Reporting exam, other governmental GAAP textbooks such as the national [Government Finance Officers Association *Governmental Accounting, Auditing, and Financial Reporting*](#) are good supplemental materials.

There are no practice exams available, nor are copies of previous exams available for review.

What happens after I successfully complete the examinations and all other certification requirements?

Stay tuned! That will be a subject for a future blog post! We'll take it one step at a time.