

COURSE DESCRIPTION

This course is an overview of the basics of local government finance in North Carolina from a very practical perspective. It is not a “debit and credit” accounting course nor does it assume you have a formal accounting education or background. Rather, this course will introduce you to the basic job functions that are typically housed in the Finance Department, with more attention given to those that are found in smaller governments. This course also will tie those functions back to the requirements for all local governments found in the NC General Statutes, primarily the Local Government Budget and Fiscal Control Act (G.S. 159 Article 3).

Units of Study

1. Introduction to Local government finance
 - a. GS 159 – overview of each section; this will not delve into the detailed nuances of the statutes as much as it will make students aware that there is a statutory basis for what they are required to do, and how their role fits in the context of the overall structure of the government.
 - b. Role of LGC and its responsibilities and authority
2. Overview of structure of local government – again a high level overview
 - a. Mayor/council or Manager/Council – municipalities
 - b. County governance structure
 - c. Role of elected leaders and status as employees
 - d. Role of staff
 - e. Unit attorney
3. Overview of governmental accounting
 - a. Why governmental and not “regular” accounting?
 - b. What are internal controls and why are they so important?
 - c. Basic reporting structure – government wide and fund reporting
 - d. Financial reporting – who are users
4. Annual audit – from the government’s perspective
 - a. What is an audit? What it is not.
 - b. What is finance officer’s role?
 - c. Ownership of financial report and records
 - d. Role of the independent auditor
 - e. Role of the board
 - f. Compliance auditing – what is it and why it is required
 - g. Auditor selection and contracting process with example of RFP

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5. Practical review of role of finance officer
 - a. Key records to be maintained/records retention policies, need for
 - b. Providing information to elected officials and others, brief discussion of public records to make them aware of statutory requirements and encourage them to check with their unit attorney
 - c. Segregation of duties and internal control systems with examples of who does what in a 1 or 2 person finance office
6. Pre-audit function
 - a. Chart of Accounts and file structure
 - b. Basics of developing chart of accounts
 - c. How to set up your files so you can find what you need
7. Budget development, adoption and amendment process
 - a. Calendar and other legal requirements
 - b. Estimating revenues and expenditures including revenue sources and various restrictions on those, including a discussion on where to get information
 - c. Direction from board and input from department heads, if applicable
 - d. What budget officer will need from finance (if FO is not preparing budget)
 - e. How and when do I amend the budget
 - f. What about grant funded projects?
 - g. Multi-year budgets – how do they work?
 - h. Budget as a policy document
 - i. What internal controls are involved in budget management?
 - j. What is the difference between a budget ordinance and working detail of budget?
 - k. Case study – preparing a budget
8. Cash and Investment basics/Receipts and Disbursements
 - a. Banking relationships – include best practices
 - b. Credit cards/p-cards, including necessary policies and documentation
 - c. Daily deposit and other internal controls, including reconciliations and documentation – how to reconcile and how to properly document work and policies
 - d. Investment alternatives – brief overview
 - e. A/R and A/P functions including policies and internal control features and documentation
 - f. Payroll – basic plus brief overview of ORBIT/LEOSSA, including policies and documentation
 - g. Grant cash management, 3 day rule
 - h. Escheats

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9. Basic purchasing and contracting
 - a. Formal bidding requirements - overview
 - b. Informal bidding requirements – overview
 - c. Bidding or not bidding services, suggested documentation
 - d. Purchasing and pre-audit
 - e. Internal controls in purchasing, contracting and disposal of assets
 - f. Best practices
 - g. Conflicts of interest
 - h. Property disposal
10. Utility financial management
 - a. Billing and collecting including overview of legal issues, collection policies, deposit policies
 - b. Internal controls in utility management
 - c. Rate setting basics and overview of resources
 - d. Water auditing basics and overview of resources
11. Capital assets - overview
 - a. Maintenance
 - b. Record-keeping including depreciation
 - c. Inventory control
12. Issuing debt - overview
 - a. Legal requirements/restrictions
 - b. Practical discussion of various debt instruments
 - c. LGC approval process
13. Basic system management
 - a. Basic security measures
 - b. Need for internal controls
14. Utilizing what you have learned
 - a. Communicating and interacting with your board
 - b. Putting this knowledge into practice
 - c. Discussion on resources

COURSE OBJECTIVES AND MAJOR ASSIGNMENTS

Student Learning Outcomes:

At the completion of this course, you will have:

1. Identified the key components of the Local Government Budget and Fiscal Control Act and the impact of those components on your day-to-day work.
2. Discussed the importance of adhering to properly adopted local government budget that is legally binding.
3. Discussed the importance of internal controls that are integrated into daily workflow to help maintain the integrity of the accounting records and protect staff.

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4. Identified best practices for major areas of workflow and discussed how you might implement those in your day-to-day work.
5. Identified the multiple sources of authoritative information available to you.

Major Assignments

1. Each week there is a journal assignment to help you document not only what you have learned but how you might apply it in your role at your government. At the end of the course you should have a usable document to assist you in making improvements in your workplace.
2. Each week has reading assignments of material that speaks directly to the module that has been assigned. This material is either provided to you or you are given the links to websites where the materials reside.
3. There are additional module specific assignments as follows:
 - a. Module 4 – The Annual Audit from the Government’s Perspective – draft an RFP for audit services
 - b. Module 5 – A Practical Review of the Role of the Finance Officer – draft a contract control policy
 - c. Module 6 – The Chart of Accounts – draft a simple chart of accounts
 - d. Module 7 – Budget Development, Adoption, and Amendment – draft two budgets
 - e. Module 8 – Cash and Investment Basics, Receipts and Disbursements – complete a bank reconciliation, complete an LGC 203 form and COLL 91, and evaluate your unit’s cash and investments
 - f. Module 10 – Utility Financial Management – discussion forum assignment on customer service policies
 - g. Module 12 – Overview of Debt Issuance - case study on the financing mechanisms available and the required approval processes; assignment on interest calculations

REQUIRED COURSE MATERIALS

You will need a current version of Adobe Reader and access to Microsoft Excel. There are no additional course materials required for this course.

Grading Scale

This is a non-credit course. Successful completion will be measured by attendance and completion of 80% of the course assignments.

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COURSE SCHEDULE

Instructors will set the pace for the course. The modules are designed such that roughly one per week should be completed. However, certain modules will likely take more than one week and some will take less.

Hello students! Here is our tentative schedule for the course. For more specific details, consult your "Calendar" or look at the "Assignments" under any module.

14 Modules

Module	Assignments	Due Dates
Module 1 - Introduction	Reading, Writing, Journal, Quiz	
Module 2 – Overview of Structure of Local Government in NC	Reading, Journal, Quiz	
Module 3 – Overview of Governmental Accounting and Reporting	Reading, Journal, Quiz	
Module 4 – The Annual Audit from the Local Government's Perspective	Reading, Writing, Journal, Quiz	
Module 5 – Practical Review of the Role of the Finance Officer	Reading, Writing, Journal (2), Quiz	
Module 6 – Chart of Accounts	Reading, Writing, Journal	
Module 7 - Budgeting	Reading, Writing, Journal, Quiz	
Module 8 – Cash and Investments, Receipts and Disbursements	Reading, Writing, Journal, Quiz	
Module 9 – Basic Purchasing and Contracting	Reading, Journal, Quiz	
Module 10 – Utility Financial Management	Reading, Discussion Forum, Journal, Quiz	
Module 11 – Capital Assets	Reading, Journal, Quiz	
Module 12 – Issuing Debt- An Overview	Reading, Case Study, Computation, Journal, Quiz	

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Module 13 – Basic System Management and Internal Controls	Reading, Journal, Quiz	
Module 14 – Utilizing What You Have Learned	Reading, Discussion Forum, Journal, Quiz	