

Local Government Finance in North Carolina – A Practical Approach

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).

Course Objectives

Identify the key components of the Local Government Budget and Fiscal Control Act and the impact of those components on your day-to-day work.

Discuss the importance of adhering to properly adopted local government budget that is legally binding.

Discuss the importance of internal controls that are integrated into daily workflow to help maintain the integrity of the accounting records and protect staff.

Identify best practices for major areas of workflow and discussed how you might implement those in your day-to-day work.

Identify the multiple sources of authoritative information available to you.

Course Overview

Module 1 | Introduction to Local Government Finance in North Carolina

The Local Government Budget and Fiscal Control Act

The School Budget and Fiscal Control Act

The Local Government Commission

Module 2 | Overview of the Structure of County and Municipal Government

Federal and State Government

Local Government

County Government – Role, Structure, Board’s Power, Administration

Municipal Government – Role, Structure, Board’s Power, Administration

Module 3 | Overview of Governmental Accounting

Governmental Accounting Vs. For-Profit Business Accounting

Internal Controls

Basic Financial Statements

Auditors' Opinion and Types of Opinions

Full Accrual and Modified Accrual Basis of Accounting

Types of Funds

Responsibilities of Finance Officer

Module 4 | The Annual Audit from the Local Government's Perspective

What is an Audit?

Keeping Unit's Financial Records

Keeping the Audit on Schedule

Role of the Finance Officer, Role of the Auditor, Role of the Governing Board

Compliance Audit, Yellow Book Audit, State and Federal Single Audit

Auditor Selection and Contracting Process

Module 5 | A Practical Review of the Role of the Finance Officer

Recordkeeping

Reports to the Governing Board; to State, Federal, and other Government; to Citizens and Others

Internal Controls

Segregation of Duties

Pre-audit Function

Module 6 | Chart of Accounts and File Structure

Accounting Guidelines and General Statutes

Types of Funds

Revenues and Expenditures

How to Create the Chart of Accounts

Module 7 | Budget Development, Adoption, and Amendments

Creating a Budget

Budget Ordinance

Setting Priorities during the Budget Process

Documents Presented to the Governing Board

Adopting a Legal Budget

Amending a Budget

Grant-Funded Projects

Multi-Year Budgets

Module 8 | Cash and Investment Basics and Receipts and Disbursements

Banking Relationships

Cash Management

Credit Cards, P-Cards

Daily Deposit and Bank Reconciliations

Security & Safety of Public Deposits—Collateralization

Authorized Investments and Forms of Deposits

A/R and A/P functions

Payroll (with brief overview of ORBIT/LEOSSA)

Grant Cash Management

Escheats

Module 9 | Basic Purchasing and Contracting

Formal Bidding Requirements

Informal Bidding Requirements

Purchasing and Pre-Audit

Proposals and Contracts

Module 10 | Utilities Financial Management

Deposits

Billing

Late Fees, Disconnection for Non-Payment, Enforcement of Collection Policies

Rate Setting

Water Auditing

Module 11 | Capital Assets

Financial Reporting and Management Requirements for Capital Assets

Inventory Tracking

Capitalization

Depreciation

Maintenance

Module 12 | Issuing Debt

Legal Requirements and Restrictions

Principal, Interest, Term, Amortization Schedule

Types of Borrowings - General Obligation Bonds, Revenue Bonds, Installment Purchase Contracts

LGC Approval Process

On-Going Requirements of the Finance Officer Once Debt is Issued

Module 13 | Basic System Management

Basic Security Measures

Computer Security

Importance of Internal Controls

Module 14 | Utilizing What You've Learned

Communicating and Interacting with Your Board

Applying what you Learned to your Individual Roles and Positions