

***GFOA***  
***Best Practices***

# What is GFOA?

- “GFOA” stands for the Government Finance Officers Association and was founded in 1906. ([www.gfoa.org](http://www.gfoa.org))
- GFOA is made up of over 20,000 members who are federal, state, and local finance officials deeply involved in planning, financing, and implementing thousands of governmental operations in each of their jurisdictions.
- GFOA’s mission is to advance excellence in public finance.

# GFOA Best Practices

GFOA has developed over 200 Best Practices covering nine different topics, including financial policies, accounting & financial reporting, budgeting & financial planning, capital planning/infrastructure, debt management, financial management, pension & benefit administration, technology, and treasury and investment management.

# Five Best Practices

- Fund Balance Guidelines for the General Fund
- Achieving a Structurally Balanced Budget
- Debt Management Policy
- Whistleblowing
- Key Issues in Succession Planning

# Fund Balance Guidelines for the General Fund

- Appropriate Level
- Use and Replenishment
- Unrestricted Fund Balance Above Formal Policy Requirement

# Achieving a Structurally Balanced Budget

- Balanced Budget vs. Structurally Balanced Budget
- Recurring vs. Non-recurring Revenues
- Recurring vs. Non-recurring Expenditures
- Reserves

# Debt Management Policy

- Debt Limits
- Debt Structuring Practices
- Debt Issuance Practices
- Debt Management Practices
- Use of Derivatives

# Whistleblowing

- Formally approve, distribute, and publicize an ethics policy
- Establish mechanisms to permit confidential, anonymous reporting of concerns (e.g., hot line)
- Publicize availability of mechanisms
- Consider providing a separate reporting mechanism for employees (e.g., employ an outside vendor)



# Key Issues in Succession Planning

- Develop an integrated approach to succession management
- Continually assess employee turnover
- Provide a formal, written succession plan
- Develop written policies and procedures to facilitate knowledge transfer
- Development of leadership skills is a key component
- Encourage personal professional development activities



# Other Resources

- GFOASC ([www.gfoasc.org](http://www.gfoasc.org))
- SCAC Finance Director email group
- Feel free to contact me ([kyokim@florenceco.org](mailto:kyokim@florenceco.org))

**Questions?**