MAFP Unit 1 Course Outline (Introduction to Municipal Accounting and Financial Reporting)

Last Updated
July 6, 2026

Course Description

MAFP Unit 1 introduces the basics of accounting and financial reporting requirements for Ontario municipalities, and how they generate revenues and account for expenses. It includes an overview of legislative requirements, Public Sector Accounting Standards, the property taxation system, tangible capital assets, and various types of financial reports. You will develop a broad understanding of how Ontario municipalities are held accountable, both internally and to the public, for their actions with respect to finance and accounting.

By the end of this unit you will be able to:

- Identify connections between municipal accounting and financial reporting practices, the Ontario municipal legislative framework, and Public Sector Accounting Standards
- Identify the key components and purposes of a municipality's financial statements and Financial Information Return
- Explain how municipalities generate revenues and account for expenses
- Read a municipality's financial reports to identify, on a high level, its key revenues, expenses, assets, and liabilities
- Recognize how municipalities use internal controls and manage risk and why these practices are necessary

The MAFP certificate of completion will be issued upon completion of two units:

- Unit 1: Introduction to Municipal Accounting and Financial Reporting
- Unit 2: Integrated Financial Planning

MAFP can be taken on its own or as part of AMCTO's Diploma in Municipal Administration (DMA).

Course Delivery Format

MAFP is delivered online through a combination of readings, quizzes, Zoom sessions, and an online closed-book proctored exam.

Course Structure

The course has five modules followed by an exam. It takes approximately three months to complete the course.

Grading Scheme

Assessment	Weight
Module Review Quizzes (5 quizzes total)	20%
Exam (online, closed-book, and proctored)	80%

The minimum grade requirement to pass each unit of MAFP is 60% on the module quizzes, 60% on the exam, and 60% overall for the unit.

Participation Expectations

The unit includes five module review sessions delivered through Zoom. In each session, an AMCTO facilitator will lead a review of the module content and guide discussions. There is no grade for attendance, but attendance and participation are expected. The sessions will enhance your learning by reinforcing key concepts, making real-world connections, and providing opportunities for you to ask questions and hear perspectives from people who work in different municipalities.

Exam Requirements

The unit ends with an online proctored exam, which must be completed on the date specified by AMCTO. It will be available for a limited window on the exam date. You must ensure that you are available during the exam window.

Academic Integrity

Students in AMCTO’s education programs are expected to abide by the association’s policy on academic integrity (section 4 of the Education Programs Policy), as well as any applicable course- or program-specific policies.

MAFP Unit 1 Topic Outline

Module 1: Basics of Municipal Financial Management and Accounting

- The key elements of municipal financial management
- The legal framework for municipal finance in Ontario
- The scope of municipal accounting and basic accounting principles
- The role of the Public Sector Accounting Board (PSAB) in establishing accounting standards, guidelines, and concepts

Module 2: Municipal Financial Reporting

- Municipal financial reporting requirements in Ontario
- Objectives of municipal financial statements and how they are used
- Components of a municipality’s annual financial statements and the annual FIR
- The “reporting entity” concept and how it relates to a municipality’s financial statements

Module 3: Municipal Revenues

- The system of property tax assessment in Ontario
- How property taxes are calculated
- Methods of collecting and enforcing the payment of taxes
- Non-tax revenue sources available to municipalities

Module 4: Municipal Expenses

- The differences between operating expenses and capital expenses
- The differences between cash, accrual, and encumbrance accounting for expenses
- How expenses are classified in financial reports
- Reporting requirements and accounting principles for TCAs

- The objectives and users of budget performance reports

Module 5: Accountability, Audit, and Risk Management

- The accountability framework and the four aspects of the concept of accountability
- The nature and scope of the municipal audit
- The auditor–municipality relationship through such aspects as the engagement letter, management letter, and use of an audit committee
- Elements of the internal audit, internal controls, and the framework and principles of enterprise risk management

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The Association of Municipal Managers, Clerks and Treasurers of Ontario

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