

## CFP BOARD DIRECTOR POSITION AND CANDIDATE SPECIFICATIONS

### Organization Mission & Overview

The mission of Certified Financial Planner Board of Standards, Inc. (CFP Board) is to benefit the public by granting the CFP® certification and upholding it as the recognized standard of excellence for personal financial planning. As a non-profit organization acting in the public interest by fostering professional standards in personal financial planning, CFP Board establishes and enforces education, examination, experience and ethics requirements for CFP® certificants. Our accountability is to the public, and our work plays an important role in building the financial planning profession.

CFP Board establishes and enforces standards for educational institutions that enhance the knowledge, skills and abilities that form the body of professional knowledge required to practice financial planning. We work alongside membership organizations that provide support to professionals who provide financial planning services to the public. CFP Board is engaged with the more than 58,000 CFP® certificants across the country who benefit the public directly when they demonstrate the high standards of competence and ethics of the CFP® certification through their services to clients.

### Organization History

CFP Board was founded in July 1985 as the International Board of Standards and Practices for Certified Financial Planners, Inc. (IBCFP) by the College for Financial Planning (College) and the Institute of Certified Financial Planners (ICFP). The IBCFP became Certified Financial Planner Board of Standards Inc. (CFP Board) on February 1, 1994.

Once established as an independent certifying body, CFP Board continued working to establish the CFP® marks as professional certifications beyond an educational credential. The growth of the financial planning profession during the early 1980s had created a demand for more financial planning training and education and moved the need for the maintenance and surveillance of professional standards and self-discipline beyond the College's more narrowly focused responsibilities as an educational institution.

### The Four Es

By June 1986, CFP Board had acquired ownership of the CFP® and CERTIFIED FINANCIAL PLANNER™ marks from the College as well as all responsibility for the testing and certification of CFP® certificants. A *Code of Ethics and Standards of Practice* and *Disciplinary Rules and Procedures* were adopted that same year, and the other elements of the certification process quickly followed: the registration of financial planning educational programs of institutions other than the College in 1987, continuing education requirements in 1988, and the delineation of experience requirements and certifying procedures by 1989.

In 1991, CFP Board introduced a single comprehensive examination to test the integration and application of the knowledge gained from the developed personal financial planning curriculum. Modeled on the licensing examinations given to attorneys or Certified Public Accountants (CPAs), the CFP® Certification Examination



CERTIFIED FINANCIAL PLANNER™

CFP®

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was further evidence of CFP Board's progress in ensuring the qualifications of CFP<sup>®</sup> certificants in the practice of financial planning.

Having strengthened the examination, education and experience requirements, in 1992 CFP Board turned its attention to the fourth "E", ethics, and made extensive revisions to its *Code of Ethics*. On January 1, 1993, a new *Code of Ethics and Professional Responsibility* was introduced to replace the IBCFP's previous Code.

Early in 1994, in addition to changing to its new name, CFP Board introduced a new CFP<sup>®</sup> mark designed to help consumers distinguish CERTIFIED FINANCIAL PLANNER<sup>™</sup> certificants from other financial planners. The new mark, composed of a stylized flame and the initials "CFP," is available for use only by currently authorized CFP<sup>®</sup> certificants.

### Practice Standards

In September 1994, the Board of Governors approved a plan for the development and promulgation of *Financial Planning Practice Standards* for personal financial planning and created a subsidiary board, the Board of Practice Standards. During 1995, the Board of Practice Standards began this process with the issuance of its first exposure draft of a proposed Practice Standard.

After three years of work, including the active solicitation and consideration of comments from CFP<sup>®</sup> certificants, the Board of Governors approved the first three Practice Standards in 1998. These standards, in the 100 and 300 series, became effective for all CFP<sup>®</sup> certificants who engage in the practice of financial planning on January 1, 1999. The 300 series went into effect in 2000, the 400 series in 2001, and the 500 and 600 series went into effect January 1, 2002.

### Other Initiatives

CFP Board acquired The Registry of Financial Planning Practitioners certification mark from the International Association for Financial Planning (IAFP) in 1995. In so doing, CFP Board removed a confusing designation from the marketplace, making room for greater public recognition of the CFP<sup>®</sup> marks to identify planners who are qualified to offer ethical, competent financial advice. In 1997, the IAFP publicly recommended that practitioners who hold themselves out as financial planners attain the CFP<sup>®</sup> certification. In May 2000, the Board of Governors decided to let the trademark registration of The Registry of Financial Planning Practitioners mark lapse.

In 1996, a voluntary mediation program to resolve financial planning disputes that may or may not involve ethics violations was established by CFP Board in conjunction with the IAFP, ICFP and the National Association of Personal Financial Advisors (NAPFA). The program is administered by the independent American Arbitration Association and is open to all financial planning clients and financial planning practitioners, whether or not the planner is a CFP<sup>®</sup> certificant.

In 1998, CFP Board opened an office in the Washington, D.C. area to educate government regulators and public interest groups about CFP Board and its role as a professional regulatory organization. To gain insight into the evolving role of financial planning and CFP<sup>®</sup> certificants within the financial services profession, in 1998 CFP Board established the Financial Services Advisory Council. This initiative was followed in 1999 with the founding of the Consumer Advisory Council to solicit feedback from consumer representatives about the financial planning profession.

In December 2007, after nearly 30 years of operations in Denver, Colo., CFP Board moved its office to Washington, DC. The decision to relocate the organization was based upon an ongoing review of how CFP Board can best respond to America's increasing need for CERTIFIED FINANCIAL

PLANNER™ professionals. After careful study, the Board concluded that the future success of the organization was dependent upon its close proximity to regulators, policymakers, and other industry and credentialing organizations that influence debates within the industry. CFP Board is an increasingly active participant in public policy debates, operating as a strong advocate for the public interest within the parameters for lobbying activities established for non-profit organizations that have been granted 501(c)(3) status by the Internal Revenue Service. Thanks to the high standards CFP Board maintains for those who hold CFP® certification and to the competent and ethical services that tens of thousands of CFP® professionals provide to the American public on an ongoing basis, CFP Board is a well-respected organization in a unique position to advocate the value of personal financial planning, for the public interest.

### **International Growth**

An international assembly of financial planning bodies, the International CFP Council was founded in 1990 to promote the professionalism of individuals and organizations offering financial planning services and to ensure that such services are offered in an ethical and competent manner throughout the world.

Financial Planning Standards Board (FPSB), was established in 2004 to further foster the internationalization of the CFP® marks. A nonprofit, international standards-setting body, FPSB is a nonprofit association that manages, develops and operates certification, education and related programs for financial planning organizations so that they may benefit and protect the global community by establishing, upholding and promoting worldwide professional standards in personal financial planning. FPSB's commitment to excellence is represented by the CFP® and CERTIFIED FINANCIAL PLANNER™ and CFP (with flame logo) marks. FPSB works in conjunction with its members to develop and promote rigorous international competency, ethics and professional practice standards for CFP® professionals in member countries/regions to ensure that consumers looking for qualified personal financial planners understand and value CFP® certification.

As of February 2007, FPSB has members and associate members from 20 countries. These members have authorized more than 52,000 individuals to use the CFP® marks in their respective countries and regions. More information on FPSB is available at [www.fpsb.org](http://www.fpsb.org).

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### **Board of Directors Overview**

The Board of Directors, as the strategic governing body of the organization, is responsible for furthering CFP Board's mission and acts on behalf of the public, CFP® certificants and other stakeholders. It is the policy-making and oversight body of Certified Financial Planner Board of Standards, the certifying, standards-setting, marks issuing and disciplinary body which owns the CFP®, CERTIFIED FINANCIAL PLANNER™ and federally registered CFP (with flame design) certification marks and regulates their use in the public interest. The 2009 Board is comprised of the following individuals:

#### **Chair**

Marilyn Capelli Dimitroff, CFP®  
Capelli Financial Services, Inc.  
Bloomfield Hills, MI

**Chair-Elect**

Robert J. Glovsky, J.D., LL.M., CFP<sup>®</sup>, CLU, ChFC  
Mintz Levin Financial Advisors, LLC  
Boston, MA

Theodore R. Daniels  
Society for Financial Education & Professional Development  
Fort Washington, MD

V. Raymond Ferrara, CFP<sup>®</sup>  
ProVise Management Group LLC  
Clearwater, FL

Alan Goldfarb, CFP<sup>®</sup>  
Weaver and Tidwell Financial Advisors, Ltd.  
Dallas, TX

Nancy Johnson Jones, CFP<sup>®</sup>  
HighTower Advisors  
Chicago, IL

James A. Kaitz  
Association of Financial Professionals  
Bethesda, MD

Kevin R. Keller, CAE  
CEO, CFP Board  
Washington, DC

Nancy A. Kistner, CFP<sup>®</sup>  
U.S. Trust, Bank of America Private Wealth Management  
New York, NY

Terry Lister, JD  
Waddell & Reed, Inc.  
Shawnee Mission, KS

Charles A. Moran, CFP<sup>®</sup>, CEBS, JD  
State University of New York - Cobleskill  
Cobleskill, NY

Charles D. Robinson, CFP<sup>®</sup>  
The Holter Financial Group  
Milwaukee, WI

Joan S. Wise  
AARP  
Washington, DC

## Board Meetings and Standing Committees

The Board of Directors has 3 regularly scheduled in-person meetings each year in March, July and November. The Board has Audit & Finance, Governance, Appeals, and Nominating committees. Committee meetings may be scheduled by phone or around the actual board meetings. Directors are assigned to at least one committee.

## The Opportunity for a CFP Board Director

Board Directors have a significant opportunity to participate in guiding the policy direction of the organization as it moves into the future to effectively meet the needs of the stakeholders of the organization and further the benefits to the public by ensuring the CFP® certification is upheld as the recognized standard of excellence for personal financial planning.

## Role of the Board of Directors of CFP Board

The Board of Directors of CFP Board has specific responsibility to:

1. Develop, articulate, maintain and further the mission of the organization.
2. Demonstrate commitment to the organizations core values and beliefs which include:
  - a. Accountability to the Public
  - b. Trust Derived from Standards
  - c. Commitment to Excellence
  - d. The seven principles of integrity, objectivity, competence, fairness, confidentiality, professionalism and diligence that exemplify professional behavior.
3. Serve as an outward-looking, future-oriented strategic governing body.
4. Ensure the fiscal sustainability of the organization to include:
  - a. Develop investment policy statements.
  - b. Oversee the management of financial assets.
  - c. Ensure, by working with the CEO, that appropriate financial controls are in place.
  - d. Independently audit the financial statements.
  - e. Approve the budget developed by the organizations staff to include ensuring that financial resources are allocated in alignment with the mission.
5. Provide oversight of the organization to include:
  - a. Ensure that Committees established by the Board are functioning in keeping with their stated objectives.
  - b. Ensure compliance with By-Laws and governance policies.
  - c. Review policies to ensure they reflect the position of the board.
  - d. Manage the employment of the CEO.
  - e. Establish strategic performance expectations, provide clear and formal feedback and manage CEO performance.
6. Provide oversight to ensure the organization is in compliance with all legal requirements.
7. Establish and engage in ongoing and rigorous examination, debate and revision of the governance policies of the organization consistent with the Board's values and perspectives.

8. Create the link between the public and the organization through (a) Needs Assessment: identifying needs of current and prospective financial planning consumers as related to the organization's activities and scope of influence and (b) Advocacy: act as the representatives of current and prospective financial planning consumers to the organization.
9. Facilitate effective communication between the Board and owners/ stakeholders / the public.
10. Follow an annual agenda that drives the strategic objectives of the organization.
11. Identify future potential board members; and develop board members to effectively fulfill their role.
12. Direct and oversee committees established by and reporting to the Board of Directors.
13. Commit to ongoing governance education and training.

### **Key Outcomes/ Accountabilities for an Individual Board Member**

- The organization was represented with the highest level of integrity and ethics consistent with the organization's by-laws and policies.
- Actions were in alignment with advancing the organization and ensuring it achieves its stated mission and strategic vision.
- Attendance and contributions at Board and committee meetings was consistent, active, substantive, constructive, collaborative, respectful, and at a strategic, big picture level.
- Actions and communications were always in the best interests of the organization and consistent with Board decisions and authority.

### **Responsibilities & Tasks of a Board Member**

1. Understand the organization's governing policies and apply them consistently.
2. Sign the confidentiality agreement annually.
3. Manage expenses responsibly and complete expense reports on time.
4. Be aware of and disclose potential or actual conflicts of interest initially and as they arise, and abstain from voting as appropriate.
5. Appropriately represent CFP Board at all times.
6. Maintain knowledge on current and potential future issues that may impact the organization and help the organization prepare for them.
7. Represent CFP Board as requested to such groups as stakeholders, the media, and other relevant organizations.
8. Delegate authority to CEO consistent with the policies established by the Board of Directors.
9. Attend and come prepared to Board and committee meetings.
10. Engage actively in internal deliberate discussion in Board and committee meetings.
11. Support and accurately represent positions and decisions agreed upon by the Board.
12. Apprise the CEO and/or Chair of the Board of meaningful stakeholder/ owner/ public sentiment.
13. Use good judgment in executing all duties.

### **Desired Experience & Competencies**

While a majority of board members will hold the CFP® mark and have significant senior level experience, at least two board members will represent the public and bring seasoned experience from other organizations. Board directors must be prepared to actively participate in regularly scheduled board and committee meetings, to do any preparation required for meetings and to participate in any ad hoc meetings that arise.

Directors work with the Chair, the CEO and other members of the board to provide strategic leadership for the CFP Board.

An individual who will work effectively on and with the board and contribute at a level that adds value to the organization as it fulfills its mission will have demonstrated competency in the following broad areas:

- Personal Results Accountability
- Intellectual Curiosity and Innovative Thinking
- Critical Thinking
- Resilience
- Collaborative Team Player
- Interpersonal Relationships
- Strategic Perspective
- Leadership
- Decision Making
- Influencing Others
- Conflict Management
- Communication and Presentation
- Finance & Organization Practices

## **Application Process**

To submit your application for consideration as a Board Director, download and print the form available at [www.CFP.net/Volunteer.pdf](http://www.CFP.net/Volunteer.pdf), and send the completed form to CFP Board by fax to 202-379-2302, by e-mail to [tturner@CFPBoard.org](mailto:tturner@CFPBoard.org). or by mail to:

CFP Board  
Attn: Tammy Turner  
1425 K Street NW, Suite 500  
Washington, DC 20005

Those interested in serving on CFP Board's Board of Directors beginning in January 2010 should submit a completed application no later than June 12, 2009.