

CFP BOARD

*CE Sponsor Program – 2012 Preparation &
Updates
October 4, 2011*

Today's Presentation

- Presenters:
 - Steven Barkley, CAE
 - Director of Examinations
 - Vanessa Williamson, CAE
 - Manager of Education and Qualifications

Housekeeping

- Recorded presentation
- Submit questions through Webinar interface or by e-mail to webinars@CFPBoard.org
- To refresh your event console, press F5 (on a Mac, press Command-R)



Mission

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 competent and ethical personal financial planning.

Topics

- Accepted Topics for CE
- 2012 CE Sponsor Registration
- 2012 CE Sponsor Program Renewal
- Ethics CE Sponsor Program Changes
- Questions & Answers

Topics Accepted for CE Credit

Subject Topics Accepted for CE Credit

Appendix A: Subject Topics Accepted for CE Credit

Continuing education (CE) is a form of recertification and, therefore, should be tied directly to the knowledge, skills and abilities that are covered in the certification process. The list below outlines the subject topics that are accepted for CFP Board CE credit.

Many practice management CE opportunities, such as programs with subject content pertaining to computer hardware and software, marketing, practice management, sales, or specific company or product presentations and informal discussion groups, enhance a CFP® certificant's practice. While CFP Board encourages CFP® certificants to avail themselves of these courses, they are not accepted for CE credit. (See Q&A #4 for more information.)

(References to sections (§) in this list refer to sections of the Internal Revenue Code.)

GENERAL PRINCIPLES OF FINANCIAL PLANNING

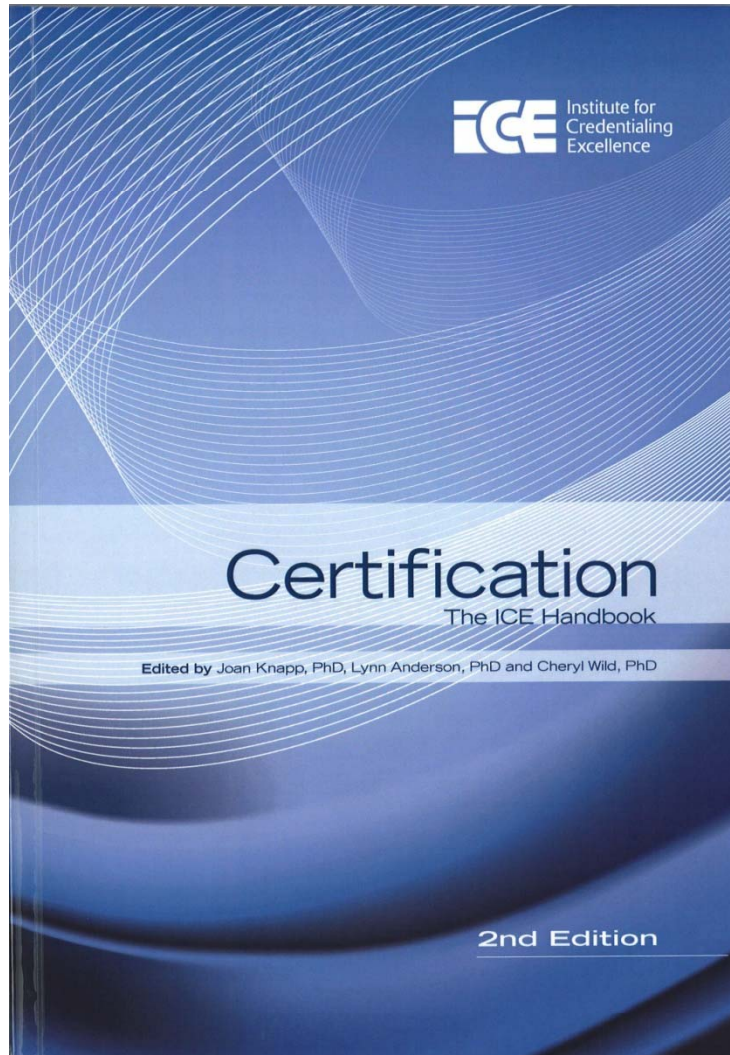
1. Financial planning process
 - A. Purpose, benefits, and components
 - B. Steps
 - 1) Establishing client-planner relationships
 - 2) Gathering client data and determining goals and expectations
 - 3) Determining the client's financial status by analyzing and evaluating general financial status, special needs, insurance and risk management, investments, taxation, employee benefits, retirement, and/or estate planning
 - 4) Developing and presenting the financial plan
 - 5) Implementing the financial plan
 - 6) Monitoring the financial plan
 - C. Responsibilities
 - 1) Financial planner
 - 2) Client
 - 3) Other advisors
2. CFP Board's Code of Ethics and Professional Responsibility and Disciplinary Rules and Procedures
 - A. Code of Ethics and Professional Responsibility
 - 1) Preamble and applicability
 - 2) Composition and scope
 - 3) Compliance
 - 4) Terminology
 - 5) Principles
 - a) Principle 1 - Integrity
 - b) Principle 2 - Objectivity
 - c) Principle 3 - Competence
 - d) Principle 4 - Fairness
 - e) Principle 5 - Confidentiality
 - f) Principle 6 - Professionalism
 - g) Principle 7 - Diligence
 - 6) Rules
 - B. Disciplinary Rules and Procedures
3. CFP Board's Financial Planning Practice Standards
 - A. Purpose and applicability
 - B. Content of each series (use most current Practice Standards, as posted on CFP Board's Web site at www.cfp.net)
 - C. Enforcement through Disciplinary Rules and Procedures
4. Financial statements
 - A. Personal
 - 1) Statement of financial position
 - 2) Statement of cash flow
 - B. Business
 - 1) Balance sheet
 - 2) Income statement
 - 3) Statement of cash flows
 - 4) Pro forma statements
5. Cash flow management
 - A. Budgeting
 - B. Emergency fund planning
 - C. Debt management ratios
 - 1) Consumer debt
 - 2) Housing costs
 - 3) Total debt
 - D. Savings strategies
6. Financing strategies
 - A. Long-term vs. short-term debt
 - B. Secured vs. unsecured debt
 - C. Buy vs. lease/rent
 - D. Mortgage financing
 - 1) Conventional vs. adjustable-rate mortgage (ARM)
 - 2) Home equity loan and line of credit
 - 3) Refinancing cost-benefit analysis
 - 4) Reverse mortgage
7. Function, purpose, and regulation of financial institutions
 - A. Banks
 - B. Credit unions
 - C. Brokerage companies
 - D. Insurance companies
 - E. Mutual fund companies
 - F. Trust companies
8. Education planning
 - A. Funding
 - 1) Needs analysis
 - 2) Tax credits/adjustments/deductions
 - 3) Funding strategies
 - 4) Ownership of assets
 - 5) Vehicles
 - a) Qualified tuition programs (§529 plans)
 - b) Coverdell Education Savings Accounts
 - c) Uniform Transfers to Minors Act (UTMA) and Uniform Gifts to Minors Act (UGMA) accounts
 - d) Savings bonds
 - B. Financial aid
9. Financial planning for special circumstances
 - A. Divorce
 - B. Disability
 - C. Terminal illness
 - D. Non-traditional families
 - E. Job change and job loss
 - F. Dependents with special needs
 - G. Monetary windfalls
10. Economic concepts
 - A. Supply and demand
 - B. Fiscal policy
 - C. Monetary policy
 - D. Economic indicators
 - E. Business cycles
 - F. Inflation, deflation, and stagflation
 - G. Yield curve
11. Time value of money concepts and calculations
 - A. Present value
 - B. Future value
 - C. Ordinary annuity and annuity due
 - D. Net present value (NPV)
 - E. Internal rate of return (IRR)
 - F. Uneven cash flows
 - G. Serial payments

Accepted Topics for CE

- Accepted Topics for CE Change Effective 1/1/12
- Currently Use List of Subject Topics Accepted for CE
- Will Use Lists of Job Tasks & Principal Topics
 - Connects to 2009 Job Task Analysis
 - Connects to 2012 Exam Blueprint

**2009 Job Analysis Study Results
New Exam Blueprint
Principal Topics**

Job Analysis



Required by national accrediting bodies

NCCA standards require that “the job analysis clearly exist as the basis for the certification test and test specifications be linked to the job analysis to be valid.”

- Page 123, The ICE Handbook, 2nd Edition

Broad-based Input from CFP® Professionals:

- Examinations Task Force
- Council on Examinations
- Emerging Trends in Financial Planning Task Force
- Job Analysis Task Force

Goals of 2009 JA Study

- Identify the important job tasks performed by CFP[®] professionals
- Identify the principal topics in which the CFP[®] professional must be knowledgeable

Comparison of 2004 & 2009 Job Analysis Studies

2004 Job Analysis (Topic Focused)	2009 Job Analysis (Job Task Focused)
Topic List for CFP® Certification Examination	Practice Requirements for CFP® Professionals
7 Subject Matter Areas Defined by Disciplines	8 Job Task Domains Modeling Financial Planning Process
89 Major Topics	97 Job Tasks
+ 694 Subtopics <i>(Not included in JA)</i>	78 Principal Topics Meeting JA Statistical Criteria <i>(Provides curriculum framework, not exam blueprint)</i>

2009 Job Tasks Survey

CFP[®] Certification Examination [Blueprint](#)
Effective March 2012

8 Major Domains

1. Establishing and Defining the Client-Planner Relationship
2. Gathering Information Necessary to Fulfill the Engagement
3. Analyzing and Evaluating the Client's Current Financial Status
4. Developing the Recommendation(s)
5. Communicating the Recommendation(s)
6. Implementing the Recommendation(s)
7. Monitoring the Recommendation(s)
8. Practicing within Professional and Regulatory Standards

Example

Domain 3

Analyzing and Evaluating the Client's Current Financial Status

- A. Evaluate and document the strengths and vulnerabilities of the client's current financial situation
 - 1. Financial status
 - a. Statement of financial position/balance sheet
 - b. Cash flow statement
 - c. Budget
 - d. Capital needs analysis (e.g., insurance, retirement, major purchases)
 - 2. Risk management and insurance evaluation
 - a. Insurance coverage
 - b. Retained risks
 - c. Asset protection (e.g., titling, trusts, business form)
 - d. Client liquidity (e.g., emergency fund)
 - 3. Benefits evaluation
 - a. Government benefits (e.g., Social Security, Medicare)
 - b. Employee benefits
 - 4. Investment evaluation
 - a. Asset allocation
 - b. Investment strategies
 - c. Investment types
 - 5. Tax evaluation
 - a. Current, deferred and future tax liabilities
 - b. Income types
 - c. Special situations (e.g., stock options, international tax issues)

Domain 3 *(Continued)*

6. Retirement evaluation
 - a. Retirement plans and strategies (e.g., pension options, annuitization)
 - b. Accumulation planning
 - c. Distribution planning
 7. Estate planning evaluation
 - a. Estate documents
 - b. Estate tax liabilities
 - c. Ownership of assets
 - d. Beneficiary designations
 - e. Gifting strategies
 8. Business ownership
 - a. Business form
 - b. Employer benefits
 - c. Succession planning and exit strategy
 - d. Risk management
 9. Education planning evaluation
 - a. Sources of financing
 - b. Tax considerations
 10. Other considerations
 - a. Special circumstances (e.g., divorce, disabilities, family dynamics)
 - b. Inheritances, windfalls, and other large lump sums
 - c. Charitable planning
 - d. Eldercare (e.g., CCRCs, LTC, Nursing Home)
- B. Identify and use appropriate tools and techniques to conduct analyses (e.g., financial calculators, financial planning software, simulators, research services)

Principal Topics

(Provide curriculum framework &
knowledge-base necessary to perform Job Tasks)

8 Principal Topic Areas

- General Principles of Financial Planning
- Insurance Planning
- Investment Planning
- Income Tax Planning
- Retirement Planning
- Estate Planning
- Interpersonal Communication
- Professional Conduct and Fiduciary Responsibility

Example

Principal Topics

Retirement Planning

- Retirement needs analysis
- Social Security (Old Age, Survivor, and Disability Insurance, OASDI)
- Types of retirement plans
- Qualified plan rules and options
- Other tax-advantaged retirement plans
- Regulatory considerations
- Key factors affecting plan selection for businesses
- Investment considerations for retirement plans
- Distribution rules, alternatives, and taxation

Example

Principal Topics

Interpersonal Communication

- Client and planner attitudes, values, biases and behavioral characteristics and the impact on financial planning
- Principles of communication and counseling

Job Tasks & Principal Topics

Available for Download at:

www.CFP.net/downloads/CFPBoard_Exam_Job_Task_Domains.pdf

www.CFP.net/downloads/CFPBoard_Exam_Principal_Topics.pdf

(Links available on home page of CFP Board website)

Accepted Topics for CE

- Application Submission Process Remains the Same
- Application Review Process Remains the same
 - Initial Review in 7 Business Days
- Content Connections to Principal Topics and Job Task Domains

Topic Exclusions

- Topics ineligible for CE credit are:
 - Practice Management
 - Sales
 - Marketing
 - Software/Hardware
 - Company-Specific Content
 - Product-Specific Content
 - Public Accounting

Topic Exclusions

Practice Management:

Programs focused on the planning, development and management of a CFP[®] professional's business operations, including topics such as office management, business model design, budgeting processes, leadership training, and other activities that don't directly contribute to the knowledge, skills and abilities needed for a CFP[®] professional to provide competent and ethical financial planning to clients.

CE Requirements

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC. 1425 K Street, NW, Suite 300, Washington, DC 20005
P: 800-487-1497 F: 202-379-2299
E: cesponsor@CFPboard.org W: www.CFP.net

Continuing Education Sponsor Registration Agreement

Contact Information

Full Name of Sponsoring Company or Organization: _____ Primary Contact Name: _____
 _____ Primary Contact e-mail: _____
 CE Sponsor Address: _____ Secondary Contact Name: _____
 _____ Secondary Contact e-mail: _____
 _____ CE Sponsor Web site: _____

Terms and Conditions of CE Sponsor Registration

As a continuing education sponsor offering educational programs to certificants of Certified Financial Planner Board of Standards, Inc. ("CFP Board"), the above-named organization ("Sponsor") hereby requests registration with CFP Board as a Continuing Education Sponsor for calendar year _____. Sponsor agrees to adhere to the provisions of CFP Board's continuing education ("CE") policies as stated in this Continuing Education Sponsor Registration Agreement ("Agreement"), and as amended by CFP Board from time to time. Sponsor represents and warrants that Sponsor has read and understands this Agreement and agrees as a condition of sponsorship to abide by all requirements stated therein, as updated by CFP Board from time to time. Sponsor agrees that all CE programs offered for acceptance by CFP Board ("Programs") are and will remain correct and current in content and format, and contribute to increasing the professional competency of CFP® certificants.

This Agreement and Sponsor's registration with CFP Board shall remain in effect for the calendar year indicated above, unless earlier terminated as set forth herein. Sponsor has the option of renewing Sponsor's registration with CFP Board at the end of the calendar year. If Sponsor fails to renew by December 31 of the calendar year, Sponsor shall no longer be registered as a CE Sponsor with CFP Board effective January 1 of the following calendar year.

I. Acceptable Program Topics: Programs submitted and maintained for CFP Board's acceptance may cover any topics included in CFP Board's current list of Subject Topics Accepted for CE Credit (Appendix A of the CFP® Certification Policies, Renewal Requirements and Continuing Education Standards publication, available at www.CFP.net/downloads/RenewalCEBooklet_topiclist.pdf), which CFP Board may amend from time to time.

Sponsor agrees not to submit to CFP Board Programs in any subject area other than those designated above.

II. General Program Standards: Sponsor agrees, represents and warrants that its Program(s) meet, and will continue to meet, the following requirements:

- Programs contribute to increasing the professional competency of participants.
- Programs are developed by persons qualified in the subject matter.
- Program content is current, correct and presented in appropriate design and format.
- Programs are not specific to public accounting, computer hardware and software, marketing, practice management, sales or specific company or product presentations.
- Program titles accurately represent the course content and purpose.
- Programs are reviewed by a qualified person, other than the preparer, to ensure compliance with the above standards.

CFP Board defines practice management programs as programs focused on the planning, development and management of a CFP® certificant's business operations, including topics such as office management, business model design, budgeting processes, leadership training, and other activities that don't directly contribute to the knowledge, skills and abilities needed for a CFP® certificant to provide competent and ethical financial planning to clients.

III. Requirements for Live Programs: In addition to the "General Program Standards" previously listed, Sponsor agrees to comply with CFP Board's continuing education requirements and standards for each Live Program, as outlined below.

- Attendance is required. For Live Programs presented in-person, the number of participants and physical facilities should be consistent with the teaching method.
- Live Programs will be presented in an initial unit of at least one-hour (minimum of 50 minutes constituting one class hour), with half-hour increments accepted after the initial one hour has been satisfied. Total hours will be rounded up to the last full half hour.
- Live Programs will be conducted by an instructor or discussion leader qualified in the specific subject area(s).



CERTIFIED FINANCIAL PLANNER®



Rev. 1/10

Certified Financial Planner Board of Standards Inc. owns these certification marks in the U.S., which it licenses to individuals who successfully complete CFP Board's initial and ongoing certification requirements.

www.CFP.net/Downloads/Continuing_Education_Sponsor_Agreement.pdf

CFP BOARD

2012 CE Sponsor Registration & Program Renewal

2012 CE Sponsor Registration

- Online Registration
- Mid-November Launch
- December 31, 2011 Expiration Date
- February 15, 2012 Drop Date

2012 Program Renewal

- Online Renewal for Eligible Programs
- Mid-November Launch
- December 31, 2011 Expiration Date
- February 15, 2012 Drop Date

Ethics CE Programs

- No Online, Auto Renew Option for 2012
- All Ethics CE Programs Expire 12/31/11
- All Ethics CE Programs Require Submission to CFP Board
 - Confirmation of Adherence to New Ethics CE Sponsor Program Requirements
 - Full Set of Program Materials
 - Expedited Reviews

Ethics CE Sponsor Program Changes

Learning Objectives & Instructor Criteria

- 6 Learning Objectives
 - Must be Incorporated into 2012 Ethics CE Programs
 - www.cfp.net/teamup/ethicsce.asp#objectives
 - Programs Accepted Prior to 10/1 Accepted through 12/31/11
- Instructor Criteria
 - All Ethics CE Instructors Must Meet New Criteria Effective 10/1/2011

Implementation

Application Date	Program Status	Implementation
1/1/11 – 9/30/11	Accepted	As Is through 12/31/11 Instructor Criteria as of 10/1/11
10/1/11 – 12/31/11	New Application	Address Learning Objectives Instructor Criteria
1/1/12	New Application	Address Learning Objectives Instructor Criteria

Instructor Criteria

- All CFP Board continuing education requirements must be up-to-date and all CFP Board renewal and other fees must be paid in full
- Instructor must have been a CFP[®] Professional for 5 years or more

Instructor Criteria

- Instructor must not be the subject of a pending investigation by CFP Board or any federal or state regulator
- Instructor must not have been the subject of CFP Board discipline, i.e. private censure, public letter of admonition, or suspension, received within the past five years

Wrap Up

Resources

- General Inquiries / Requests
 - cesponsor@CFPBoard.org
 - 202/379-2221 or 800/487-1497
 - CE Sponsor Section of CFP Board Web Site
 - www.CFP.net/teamup/ce.asp

Resources

- CESponsor@cfpboard.org
- Fax: 202-379-2299
- Christy Callaway
 - Continuing Education Coordinator
 - ccallaway@cfpboard.org
 - 202-379-2221
- Darren Clanagan
 - Continuing Education Administrator
 - dclanagan@cfpboard.org
 - 202-379-2222
- Vanessa Williamson, CAE
 - Manager, Education and Qualifications
 - vwilliamson@cfpboard.org
 - 202-379-2211

Resources

- Steven Barkley, CAE
 - Director of Examinations
 - sbarkley@cfpboard.org
 - 202-379-2233
- Job Tasks & Principal Topics
 - www.CFP.net/downloads/CFPBoard_Exam_Job_Task_Domains.pdf
 - www.CFP.net/downloads/CFPBoard_Exam_Principal_Topics.pdf

Questions and Answers