

# CFP® Certification

CERTIFIED FINANCIAL PLANNER  
BOARD OF STANDARDS, INC.

---

---

---

---

---

---

---

---

## CFP Board

- Nonprofit, standards-setting and certifying organization located in Washington, D.C.
- Founded in 1985
- **Mission Statement:** to benefit the public by granting the CFP® certification and upholding it as the recognized standard of excellence for personal financial planning.

---

---

---

---

---

---

---

---

## CFP Board activities

- Certify individuals who voluntarily meet initial & ongoing competency and ethics requirements
- Perform periodic job analyses to update areas of topic coverage
- Develop and administer the CFP® Certification Examination
- Develop & enforce CFP Board's *Standards of Professional Conduct*
- Educate public about CFP® marks

---

---

---

---

---

---

---

---

### Current **demographics**

- Over 58,000 CFP® certificants in U.S. and another 56,000+ in 20 other countries
- 92% have a college degree
- At least 34% have a Master's degree or higher
- 68% also have insurance and/or securities licenses
- 13% also have a CPA license

---

---

---

---

---

---

---

---

### **Growth** of the CFP® certification

- About 6% average annual increase
- 6,500-7,000 candidates take exam yearly
- Number of exam takers increased 55% from 1998 to 2008 – more than 6,900 took exam in 2008
- Number of Registered Programs rose from 73 in 1995 to over 300 now
- Increased recognition by industry professionals and consumers

---

---

---

---

---

---

---

---

### What is **financial planning**?

- Financial planning is the process of meeting life goals through a **“big picture”** approach to managing finances

---

---

---

---

---

---

---

---

### What is **financial planning**?

- **Comprehensive** financial planning uses an integrated approach to monitor all aspects of someone's financial situation:
  - Insurance & Risk Management
  - Investment Planning
  - Tax Planning
  - Retirement Planning & Employee Benefits
  - Estate Planning

---

---

---

---

---

---

---

---

### **Value** of the CFP® certification

- Financial planning's time has come
- Changing demographics & retirement plans
- Consumers looking for trusted advisors who will put their interests first and are able to provide advice on many facets of their financial situation

---

---

---

---

---

---

---

---

### **Value** of the CFP® certification

- Educational process provides the financial planning knowledge needed to serve clients better – resulting in increased client satisfaction and client retention
- Career growth and enhancement
- Personal satisfaction

---

---

---

---

---

---

---

---



### **New bachelor's degree requirement**

- Bachelor's degree (or higher) required
- Degree does not need to be in financial planning
- Degree not needed to take the CFP® Certification Examination
- Bachelor's degree requirement must be completed within 5 years of passing the CFP® exam

---

---

---

---

---

---

---

---

### **CFP® Certification Examination**

- Assesses ability to apply financial planning education to client situations in an integrated format
- Developed through an extensive process involving practitioners at every stage
- Given three times/year – March, July & November
- More than 50 test sites around the country

---

---

---

---

---

---

---

---

### **CFP® Certification Examination**

- 10-hour, two-day exam – three separate sessions, not sections
- About 285 multiple choice questions
- Major case study in each session
- Sample case study and questions on **www.CFP.net**
- 55-60% pass rate (74% cumulative)
- \$595 exam fee

---

---

---

---

---

---

---

---

## Experience

- 3 years qualifying work experience
- Personal delivery of all, or any portion of, the financial planning process
- Expanded to include supervision, direct support and teaching
- Total of 15 years to gain experience
- 10 years prior to exam and up to 5 years after exam

---

---

---

---

---

---

---

---

## Ethics

- Agree to adhere to CFP Board's *Code of Ethics and Professional Responsibility, Rules of Conduct and Financial Planning Practice Standards*
- Disclosure of past or pending litigation or agency proceedings
- \$100 initial application fee

---

---

---

---

---

---

---

---

## Continuing certification

- 30 hours of CE credit every 2 years
- 2 hours of pre-approved ethics courses
- Disclosure of any legal proceedings, ethics violations, pending disciplinary matters or litigation within reporting period
- \$300 fee every 2 years
- \$360 fee every 2 years

---

---

---

---

---

---

---

---

