

SAMPLE QUESTIONNAIRES & TECHNOLOGY EVALUATION CHECKLIST





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SAMPLE QUESTIONNAIRE

Core Financial Planning Technologies

CFP Board designed this Sample Questionnaire as a helpful resource for CFP® professionals when evaluating some of the core technologies used in the development or delivery of Financial Advice or Financial Planning. The Technology Standard does not require CFP® professionals to ask every question identified in this questionnaire. The following questions are not exhaustive and certain items may not be relevant to a CFP® professional's present circumstances.

■ CRM Software

Customer Relationship Management (CRM) software helps with obtaining and storing client information, contact management, sales management, and other activities.

1. What information does the CRM system capture and store?
2. How does the CRM system take in and organize data?
3. In what ways can the stored information be accessed or exported, including for data analysis?
4. Does the CRM system monitor the progress of individual client workflows?
5. Can the CRM system facilitate task management across multiple team members?
6. Does the CRM system display information at a firm level as well as a client level?
7. Does the CRM system have direct-to-client email capability?

■ Financial Planning Software

Financial planning software helps streamline the process of calculating and analyzing different trade-offs and courses of action when developing recommendations.

Technology's Capabilities

1. Does the technology accommodate comprehensive Financial Planning, Financial Advice on specific topics, or both?
2. Does the technology utilize goals-based planning, cash-flow-based planning, or both?
3. Does the technology consider or incorporate behavioral or psychological elements of financial planning, such as financial stress levels, values, concerns, priorities, or other elements?

Technology's Capabilities (cont.)

4. What components are incorporated into or integrate with the technology, such as those addressing tax planning, risk and insurance, college savings, retirement, social security, stock options, estate planning, equity compensation, cross-border planning, or other relevant areas?
5. Does the technology track a client's progress towards meeting their financial and/or other goals?

Inputs

1. What asset classes are included in the technology's analysis, do those assets align with client needs, and does the technology rely upon pre-determined portfolios or allow for customization?
2. Does the technology account for assets and liabilities outside the investment portfolio, such as real estate, business interests, insurance, or annuities?

Technology's Modeling Capabilities

1. Does the technology construct its models using straight-line projections, Monte Carlo simulations, or another method?
2. Does the technology provide the ability to use multiple methods for projections?
3. If the technology uses Monte Carlo simulations, how many simulations are run and how are they displayed?
4. Does the technology account for advisor fees and does that method align with or incorporate the CFP® professional's fee structure?
5. Does the technology accommodate (i) altering the asset allocation over time (such as at retirement) or (ii) modeling a portfolio shift (such as a portfolio that grows increasingly conservative)?
6. Does the technology allow for different asset allocations for specific goals (such as college savings)?
7. Does the technology compare the current asset allocation with a target allocation?
8. What strategies does the technology support out-of-the-box (such as social security optimization or Roth conversion)?
9. Does the technology model and compare multiple planning scenarios, both planned and unplanned, and how easy is it to compare different scenarios?
10. Does the technology allow for saving, copying, or building template scenarios?
11. Does the technology provide a granular view of cash flow projections, such as (i) annual or monthly surpluses or deficits or (ii) account or entity level inflows, outflows, interest, dividends, or other details?
12. How does the technology address debts and liabilities, including the amortization of debts, balloon payments, and additional payments?
13. Are projections shown in current dollars, future dollars, or both?

Taxation

1. How does the technology account for taxes and effective tax rates, including federal and state income, estate, and inheritance taxes?
2. Does the technology calculate and account for (i) Alternative Minimum Tax (AMT), (ii) state income taxes based on the client's current or future residence, (iii) itemized deductions, or (iv) tax carryforward?
3. Does the technology allow for customized tax rates or exemptions and how does it present the impact of those modifications?
4. How does the technology address tax assumptions for clients' investment portfolios?

Retirement Planning

1. Does the technology model and address retirement accumulation planning matters and strategies such as maximum contribution limits or matching employer contributions?
2. Does the technology model and address retirement distribution planning matters such as post-retirement ROTH conversions, Net Unrealized Appreciation, Rule 72(t), Qualified Charitable Distributions (QCDs), or annuity income strategies?
3. Does the technology address the decumulation of accounts in retirement and can specific assets be designated for specific goals, such as for covering essential expenses?
4. Does the technology allow the end user to compare alternative distribution schedules?
5. Does the technology provide cash flow planning flexibility to account for changes in client expenses over time such as paying off a mortgage, reductions in travel, or medical needs?
6. Does the technology estimate Social Security or survivor benefits or compare different Social Security strategies, for example, spousal benefits?
7. Does the technology account for part-time work in retirement, including the impact on Social Security benefits?
8. Does the technology estimate future Medicare costs based on income or long-term care costs based on state of residence?

Education Funding

1. Does the technology address education savings, including 529 plans and other educationally-based income tax benefits?
2. Does the technology address other sources of education funding, such as scholarships or grants?
3. Does the technology have up-to-date information on tuition, room and board, and other education expenses?
4. Does the technology address the repayment of student debt, such as consolidation of loans, loan repayment tracking, income-based repayment options, or determining eligibility for loan forgiveness?

Stock Options/Restricted Stock

1. Does the technology address stock options or restricted stock units (RSUs)?
2. Does the technology model nonqualified and incentive stock options or different stock option exercise strategies (such as cashless exercise and hold or partial sale)?
3. Does the technology model 83(b) elections?

Estate Planning

1. Does the technology accommodate various estate planning strategies?
2. Does the technology provide estate planning tools, such as calculating estate and executor fees?
3. Does the technology allow for flexible distribution strategies among beneficiaries?
4. Does the technology create flow charts detailing distribution strategies?
5. Does the technology model transfers to charitable beneficiaries, such as a Charitable Remainder Trust (CRAT, CRUT) or a Charitable Lead Trust (CLAT, CLUT)?
6. Does the technology accommodate different wealth transfer techniques, such as an Irrevocable Life Insurance Trust (ILIT), a Grantor Retained Annuity Trust (GRAT), a Qualified Personal Residence Trust (QPRT), a Sale to Intentionally Defective Grantor Trust (IDGT), a Spousal Lifetime Access Trust (SLAT), or Dynasty Trusts?
7. Does the technology track lifetime gifting, annual exclusion gifts, or provide details in aggregate and by beneficiary?

Client Engagement

1. Does the technology provide tools to track client action items and to-dos, or provide a progress report?
2. How does the technology facilitate or streamline the presentation of the CFP® professional's recommendations to the client?
3. Does the technology allow financial planning documents to be shared between the client and other internal or external advisors (such as CPAs, attorneys, or other advisors)?

■ **Portfolio Management Systems**

Portfolio management systems range in capabilities from specialized stand-alone tools to all-in-one platforms that support nearly every phase of the investment management life cycle.

Account Opening

1. Does the technology integrate with the account opening process and is account opening done by the client, the advisor, or both?
2. How does the technology track new accounts?

Portfolio Construction

1. What portfolio models does the technology accommodate (such as equities, mutual funds, or ETFs)?
2. Does the technology provide pre-packaged models, allow the CFP® professional to construct their own models, or both?
3. What information and data was used to construct any pre-packaged models?
4. Does the technology support uploading, linking, or sharing models?
5. Does the technology offer direct indexing or custom indexing of securities?
6. Does the technology incorporate SRI and ESG investing concepts and are the analytical approaches and data sources used to address ESG considerations transparent?
7. Does the technology allow for composite models (models of models)?
8. Does the technology allow the CFP® professional to select securities for particular client restrictions or substitute security equivalents?
9. How does the technology project and compare the trade-offs of various investment strategies?
10. How does the technology develop portfolio recommendations, and does it consider investments offered by an affiliated firm, which would constitute a conflict of interest requiring disclosure under CFP Board's *Code and Standards*?
11. Does the technology make portfolio recommendations at an account level, household level, or goal level?
12. How does the technology account for taxation and fees?

Investment Research & Analytics

1. Does the technology provide a screening or research feature for individual investment selection?
2. What types of market condition analysis does the technology support, and can the models be stress tested on historical market data?
3. How frequently does the technology update both individual security and capital market assumptions (such as the market indices data and asset class historical or projected assumptions that support the models)?

Portfolio Rebalancing

1. Can the user set acceptable ranges for deviations from target allocations or trading minimums and thresholds?
2. Is rebalancing automatic or user initiated and, if automatic, how frequently is it conducted?
3. How flexible is the technology in allowing customized tolerance limits?
4. Does the technology account for held-away assets when rebalancing?
5. Does the technology facilitate tax optimization through means such as tax-loss harvesting or customizing asset location (such as holding different assets in taxable or non-taxable accounts to maximize after-tax returns)?
6. How does the technology address cash and margin balances?

Trading

1. Does the technology enable trading with the CFP® professional's custodians and brokers?
2. Does the technology allow for block trading and trade away capabilities and fully integrated post-trade processing?
3. What is the technology's automated trading methodology and what triggers a trade request?
4. Was the technology stress-tested under varying market conditions?

Reconciliation

1. What are the technology's reconciliation capabilities?
2. Does the technology include reconciliation of daily cash, balances, dividends, positions and Net Asset Value (NAV) between the internal portfolio accounting system and the external data provided by custodians?

Client Performance Reporting

1. How does the technology track, analyze, and report the value of clients' investments?
2. Does the technology update valuations in real time or at a specified interval?
3. How does the technology calculate both current and historical investment performance, and what flexibility is offered with respect to selecting a time frame?
4. Does the technology's performance reporting account for fees and expenses?
5. Does the technology's performance reporting account for assets held at the firm and those that are held-away?
6. Does the technology allow for customized performance reporting by security, account, household, or other groups?

Client Performance Reporting (cont.)

7. Does the technology include all assets in the calculation and performance reports, or can certain assets be excluded (such as alternative investments that are difficult to value)?
8. Does the technology utilize Time-Weighted Rate of Return (TWR), Dollar-Weighted Rate of Return (IRR), or another method, and are additional metrics available (such as standard deviation, Sharpe ratio, or duration)?
9. How does the technology address contributions to and withdrawals from the portfolio?
10. Does the technology allow for investment performance to be compared against a benchmark, and if so, what flexibility does the technology offer with respect to selecting the benchmark?

■ Document Management Software

Document management software is responsible for storing, managing, and tracking electronic documents.

1. How are documents uploaded to, stored by, and retrieved from the technology?
2. What are the organizing and search capabilities of the technology?
3. Does the technology enable a CFP® professional to share documents with third parties or the client, such as through a secure digital vault?
4. Does the technology provide a means to restrict access or editing capabilities of documents to certain users?
5. Does the technology allow for real-time collaboration on documents, track changes and comments, or provide an audit trail for determining who accessed or modified a document?

■ Risk Tolerance Software

Risk tolerance software helps analyze and assess various elements of a Client's risk tolerance.

1. Does the technology account for individual risk, household risk, or both?
2. What methodology does the technology employ and which risk tolerance factors does the technology include in the calculation?
3. Does the technology assess the client's willingness to accept risk, capacity to accept risk, or both?
4. Does the technology assess the client's risk tolerance with respect to a particular goal, account, or more generally?
5. Does the technology allow for customization of the risk assessment process?
6. Can the results of the risk tolerance technology be used to identify an appropriate portfolio for the client?
7. Does the technology provide a mechanism for periodically refreshing the risk tolerance assessment?
8. If the technology provides a risk score, how is that score validated?

SAMPLE QUESTIONNAIRE

Common Features & Capabilities

CFP Board designed this Sample Questionnaire as a helpful resource for CFP® professionals when assessing common features and capabilities of their technology. The Technology Standard does not require CFP® professionals to ask every question identified in this questionnaire. The following questions are not exhaustive and certain items may not be relevant to a CFP® professional's present circumstances.

■ Data Aggregation

Data aggregation is the process of gathering client data from multiple sources into a single system. The following are common examples of data aggregation types:

- **Custodial Aggregation** – Aggregating client accounts from different custodians to facilitate portfolio management.
- **Client Information Aggregation** – Aggregating client information from different sources to present client data in one place.

Primary factors addressed by the data aggregation questions below are (i) the breadth of the data that is aggregated and (ii) the reliability of the connection and timeliness of the data that is aggregated.

1. What accounts or data sources does the technology aggregate?
2. Does the technology aggregate assets that are generally held outside of the CFP® Professional's Firm, such as retirement accounts, real estate, or other non-investment assets?
3. When does data aggregation occur (such as nightly or only upon login) and will relevant alerts or alarms be triggered given the timing of such updates?
4. Are notifications provided when connections to data sources are broken and how quickly are notifications sent?
5. What data aggregation methods are used by the technology (for example, screen scraping, an application programming interface ("API"), or direct data feed)?
6. Who can start and stop sharing the data and can sharing be limited to certain data?

■ **Third-Party Technology Integration**

Third-party integration is the process by which data and information from multiple systems is shared and transmitted among the other pieces of the CFP® professional's technology. It is important to be aware of how modifications entered in one program may (or may not) affect the output in another program.

1. What third-party integrations are available, what is their intended business purpose, and how important is the integration to day-to-day business operations?
2. What data is transferred through the integration, what method is used to transfer the data, and is it a one-way or two-way integration?
3. How are systems linked to integrate and share data?
4. Does the technology (i) offer a single sign-on (SSO) option so that the CFP® professional can more easily log into multiple technologies or (ii) require multi-factor authorization for added security?
5. What is the process for synchronizing data between systems and how frequently does synchronization occur?

■ **Cloud Computing / Software-as-a-Service (SaaS)**

Cloud computing permits the delivery of technology over the internet, such as document storage and applications, as opposed to locally installing additional software or hardware. Cloud services allow the vendor to manage the necessary processing power and storage requirements while files or programs are accessible from any location.

Software-as-a-Service (SaaS), is a cloud based software delivery model that allows end users to access software applications over the internet. Typically, SaaS is subscription based, with the user renting the use of an app and the vendor maintaining all of the underlying infrastructure, app software, and data.

It is important to assess how reliable access to the technology is over time, and the ownership rights to data in the cloud. It is also important to understand how the data is secured in terms of encryption, access control, and backup recovery.

1. Who owns and has access to the data that is uploaded, and is access limited to the CFP® professional and client, or do vendor employees have access?
2. Is any uploaded data provided to third-parties or advertisers?
3. Is the data encrypted or secured during transfer to the vendor?
4. How is the data stored, secured, and backed up to prevent unauthorized access and ensure data recovery?
5. If the vendor relationship is terminated, what happens to the data?
6. What safeguards are in place to ensure there is no interruption in service?
7. Is the technology designed to allow the addition of new capabilities or functions?

■ Regulatory and Legal Compliance Features

Technology may include features that support the user's ability to timely and efficiently comply with applicable regulatory requirements. This ranges from ensuring that necessary compliance and legal disclosures are included in reports to satisfying record keeping requirements. Regulatory and legislative changes may also be incorporated into and affect the technology.

The CFP® professional or their firm is ultimately accountable for ensuring compliance with applicable legal and regulatory requirements, even if a compliance function is outsourced to a vendor.

1. Do the technology's client reports accommodate all applicable compliance and legal disclosures?
2. Can the technology's reports be used in advertisements for advisory services and comply with industry regulations regarding the inclusion of investment performance information?
3. Does the technology store all client communications in a manner that complies with applicable laws and regulations?
4. Does the technology store reports and other records in a manner that complies with applicable books and records requirements?
5. Does the technology store and maintain data in compliance with applicable privacy and data protection laws and regulations?
6. What are the technology's document retention policies, can they be modified, and can specific records to be marked for legal hold?
7. Is the technology Americans with Disabilities Act (ADA) compliant?
8. Does the technology assist in meeting best execution obligations?
9. Does the technology provide the ability to audit who used the technology, modified its data, and when the changes were made?

■ Client Portals

Client portals provide a way for Clients to directly access their account over the internet, review account data, provide information and documents for the CFP® professional to review, and develop financial planning scenarios. Such features may allow a CFP® professional to present financial plans on screen or collaborate with Clients from different locations.

It is important to understand the features of a client portal, which may include (i) summaries of client accounts, (ii) a secure way for Clients and advisors to provide and share information or documents, or (iii) access to planning software and modeling features and capabilities. The portal's interface should make it easy for the user to access the technology and provide any relevant information accurately and in a manner and format that a Client reasonably may be expected to understand.

1. How do clients access the portal and does it work on common browsers and mobile devices?
2. Does the portal provide the client with the ability to input information, link accounts, upload documents, or review recommendations?
3. Does the portal provide any client facing tools or calculators addressing matters such as debt management, budgeting management, or savings goals (for example, for retirement or college)?

■ **Client Portals (cont.)**

4. Does the portal provide the client with any access to planning software or permit the creation or modification of plans?
5. Does the portal allow for collaboration with clients and modeling or exploring side-by-side comparisons of different strategies, recommendations, or trade-offs?
6. Does the technology provide any mechanism to customize or limit clients' access to certain functions or information?
7. Does the technology provide the ability to audit changes made by the client and, if so, does the audit trail identify the changes, who made the changes, and when the changes were made?

■ **Client Reports**

Some technologies may have the ability to create client reports. Reports should provide relevant information accurately and in a manner and format that a Client reasonably may be expected to understand.

1. Does the technology provide the ability to create reports and, if so, what types of reports are available?
2. In what formats can the technology produce reports (for example, paper, via client portal, Microsoft Excel, or PDF)?
3. Do the reports identify the material assumptions the technology applies?
4. How easily can the technology's reports be customized to address the needs of specific clients?
5. Does the technology allow for the creation of report templates?
6. Does the technology allow the user to schedule the creation of reports for certain recipients?
7. Are the technology's reports time-stamped?

■ **Alerts or Other Monitoring Tools**

Technology may possess the ability to automatically monitor certain metrics, variables, or other information and send notifications or alerts regarding any changes. Alerts and notifications can assist in monitoring developments that may affect Clients, but the CFP® professional is ultimately responsible for maintaining awareness of changes that affect their Financial Advice.

1. Does the technology provide any alerts, monitoring tools, or other notification processes?
2. What types of alerts or notifications does the technology provide, such as those addressing (i) deviations from target allocations or trading minimums and thresholds, (ii) a client's investment allocation moving outside of an approved variance level of risk, (iii) changes to credit reports, or (iv) others?
3. Does the technology provide alerts if the client changes information in the system, uploads or modifies documents, or accesses the program?
4. In what format are alerts provided (for example, e-mail, text messages, or other formats)?
5. Are alerts or notifications sent to the CFP® professional, the client, both, or others?

■ Alerts or Other Monitoring Tools (cont.)

6. How can clients manage their preferences for receiving alerts or notifications?
7. Are alerts or notifications stored in a manner that complies with record keeping requirements?
8. To what extent can the alerts be customized, including whether alert triggers can be changed?

■ Billing Support and Payment Processing

Billing and payment technology may help a CFP® professional calculate fees, generate invoices, and receive payment. It is important to know how the technology calculates fees, the billing frequency, and how to review the billing process to determine if the technology is correctly billing Clients.

1. What payment methods does the technology support (such as credit card payments, ACH transfers, or other methods)?
2. Is any client credit card information securely stored, is the information redacted or masked, and is the provider PCI DSS certified?
3. Does the technology simultaneously send invoices to the client and custodian to comply with applicable custody regulations?
4. Does the technology calculate billing in advance or arrears and what billing frequency is supported?
5. What types of service models does the technology support for billing purposes (for example, assets under management, fee-for-service financial planning, commissions, or hourly)?
6. What client accounts does the technology include in billing calculations?
7. How does the technology calculate fees (for example, end of cycle balance or average daily balance)?
8. Does the technology have the capability to pro-rate or customize billing?
9. Does the technology allow for complex products or services to be set up for billing?
10. Does the technology provide the ability to review and audit the billing process?

■ Collaboration Tools

Collaboration is a key component of a financial planning relationship. Collaboration tools are incorporated into various technologies, including client portals and CRM software. Different technologies may offer different collaboration functionality and means of communicating and engaging with Clients. This may include ways to conduct video calls, give presentations, and overall engage with Clients to facilitate the financial planning process.

1. Which mediums does the technology use for client communications (such as audio, video, text, or email)?
2. Does the technology secure or encrypt the communications?
3. Does the technology archive the communications, including so that a user may demonstrate regulatory compliance?
4. Who owns the archived communications, how are they used or sold, and are they maintained in compliance with applicable privacy and data protection laws?

■ Artificial Intelligence

Artificial intelligence (AI) refers to computer systems that perform tasks that would typically require human intelligence. AI applications are used in various roles and include narrow AI systems designed to perform specific tasks, generative AI systems that create new and original content, and predictive AI systems that provide recommendations and forecasts.

AI presents many opportunities, such as increasing personalization, task automation, and data analysis, however, it also poses risks relating to data privacy, copyright, bias, and inaccurate information.

An AI system that transparently communicates its decision-making process or rationale can help ensure that users receive accurate outcomes and understand and trust the underlying rationale.

1. How do the elements of the Technology Platform leverage or rely upon AI?
2. What is the intended business purpose of the AI system?
3. What task or tasks was the AI system trained or designed to do?
4. Will the AI system's output be client-facing or used internally?
5. Does the AI system inform the user when it does not know an answer or requires additional information?
6. To what extent can the the AI system's output be vetted or confirmed?
7. Is it possible to determine if biases or conflicts of interest are embedded in the AI system and, if so, what is the nature and extent of such biases or conflicts and can they be easily addressed?

SAMPLE QUESTIONNAIRE

Technology & Vendor Relationship

CFP Board designed this Sample Questionnaire as a helpful resource for CFP® professionals when assessing potential technology and vendors. The Technology Standard does not require CFP® professionals to ask every question identified in this questionnaire. The following questions are not exhaustive and certain items may not be relevant to a CFP® professional's present circumstances.

■ Reliability

Assessing the technology's overall reliability helps ensure that it can consistently meet the CFP® professional's and their Clients' needs without interruption.

1. Does the vendor have a process for ensuring consistent access to and reliability of the technology?
2. Does the vendor have a process for developing and testing new features or functions?
3. How are defects in the technology identified and resolved?
4. Does the vendor have an effective mechanism for receiving user feedback and addressing reliability concerns?
5. How frequently is the technology updated, how are updates deployed, and is there any expected downtime during updates?
6. Is the technology, any of its important features or capabilities, or any other technologies it relies on, at or nearing end-of-life or end-of-support?

■ Free Trial Periods

A free trial period, if offered, can provide an opportunity to assess whether the technology meets client needs and aligns with the CFP® professional's workflow and processes prior to purchasing or subscribing.

1. Is the free trial a vendor-led demonstration, or is it run and controlled by the CFP® professional to test with their clients?
2. How long is the trial period and does it provide sufficient time to assess the technology?

■ **Free Trial Periods (cont.)**

3. What is the process for converting from a free trial to a paid version of the technology?
4. Does the free trial automatically end or does the CFP® professional have to manually opt-out of converting to a paid version?
5. Once the trial ends, how long can the CFP® professional access the inputted and calculated data and how is the information disposed of?

■ **User Interface, Usability, and Controls**

Assessing the technology's user interface and controls, such as during any available trial period, helps ensure that it is easy for the CFP® professional to access the technology, input relevant information, and use the technology's functions.

1. Does the technology provide an administrator account or different user types with varying levels of access to certain functions?
2. Does the technology assist the user, such as by providing tips, error messages, or suggestions on how to resolve issues?
3. Does the technology allow more than one individual to view or modify information or an account at the same time?
4. Does the technology provide the ability to audit or monitor user activities?
5. Does the technology provide any means to streamline the manual entry of repetitive or large amounts of information?

■ **Configuration of Technology**

Evaluating if and how the technology can be configured helps assess the extent to which the technology will meet the CFP® professional's current and future needs. Configuration refers to adjusting the technology to function to the user's needs by selecting pre-programmed options (in contrast to customization, which refers to modifying the technology beyond its default out-of-the-box capabilities to meet the user's specifications).

1. Is it possible for the vendor or user to configure the technology to meet current or future needs?
2. What are the costs associated with the vendor's configuration of the technology?
3. Are there any modules or components that can be added to the technology?
4. What is the process for modifying or adding components to the technology?
5. Does the technology have an established community of users and partners that can help with configuration?
6. Would configuration or customization of the technology impact any third-party integrations?

■ **Technical Support**

Evaluating the vendor's technical support helps ensure that if problems arise the CFP® professional and their Clients will be able to timely obtain help, thereby mitigating the risk of client harm.

1. Does the vendor provide any online resources for addressing issues that may arise, such as a support center containing troubleshooting guides, product manuals, or video tutorials?
2. Does the vendor offer alternative or customized support packages at different price points?

■ **Technical Support (cont.)**

3. Is support provided for data breaches, what is the response time for addressing breaches, and does the vendor handle reporting of such breaches?
4. How does the vendor provide technical support (such as via support center website, telephone, e-mail, chat bot, or ticketing system) and does that form and format meet the CFP® professional's needs?
5. What is the process and typical response time for technical support requests and follow-up, and does the vendor have a process for escalating urgent issues?
6. Is there any information on customer satisfaction with the technical support department, such as testimonials or customer reviews?

■ **Available Training**

Evaluating whether the vendor offers training on how to use the technology helps to ensure that there is a means for users to develop the relevant knowledge and skill to appropriately use the technology.

1. What is the cost of training, is any training included with purchase or subscription, and does the vendor offer alternative or customized training packages at different price points?
2. What is the frequency and format of the training?
3. Is training also provided on new features and updates?
4. Does the training address the technology's underlying methodology and calculations, including its assumptions and whether they can be modified?
5. Does the vendor provide a means for evaluating a user's proficiency with the technology?
6. Does the vendor employ CFP® professionals as instructors and, if so, what is the extent of their financial planning experience?

■ **Terms and Conditions of the Technology Vendor Agreements**

Vendor agreements detail the scope of the license, relevant costs and fees, and can provide information pertaining to reliability, such as the procedure for reporting problems and response times.

1. Does the agreement specify (i) who owns and has access to uploaded data, (ii) whether such data may be used or sold, or (iii) if inputted data is maintained in compliance with applicable privacy and data protection laws?
2. What fees and expenses are associated with using the technology and what, if any, are charged or passed on to the client?
3. Does the agreement renew automatically and, if so, when must notice be provided to prevent automatic renewal and for how long of a term is the renewal?
4. In what situations can the CFP® professional or vendor terminate the agreement and how much notice is required?
5. Post-termination, can the CFP® professional access both inputted and calculated data, how long is such information retained, how is the information disposed of, and are there any costs for the vendor's cooperation?

SAMPLE QUESTIONNAIRE

Assumptions and Outcomes

CFP Board designed this Sample Questionnaire as a helpful resource for CFP® professionals when evaluating their financial planning software's assumptions and assessing the reliability, objectivity, and appropriateness of its outcomes. The Technology Standard does not require CFP® professionals to ask every question identified in this questionnaire. The following questions are not exhaustive and certain items may not be relevant to a CFP® professional's present circumstances.

■ General Questions Regarding Assumptions

Financial planning software relies on both user-entered and default assumptions. Because they are pre-set by the technology, it is particularly important to review and determine the basis for and appropriateness of any default assumptions.

1. How are the assumptions applied?
2. Is the underlying methodology for the technology's default assumptions and calculations made transparent and, if so, where are the default assumptions and methodology located?
3. Does the vendor periodically update default assumptions and, if so, how are users notified of such updates?
4. Does the vendor have a process for timely updating assumptions to account for regulatory or tax code changes?
5. Can the end user modify the default assumptions and, if so, to what extent can the user do so?
6. Can restrictions be placed on different users' ability to modify assumptions?
7. Is there an audit trail documenting changes made to the assumptions and, if so, what information is provided?

■ Question Regarding Common Assumptions

Inflation Rates

1. How are default inflation rates derived, such as by using the Consumer Price Index (CPI) or the Personal Consumption Expenditures (PCE) price index?
2. Does the technology use different inflation rates for different categories, such as education expenses, medical expenses, or pre- and post-retirement income?
3. In what ways do changes to inflation rates impact the technology's embedded assumptions?

Capital Market Assumptions

1. How are the technology's capital market assumptions derived (for example, by using rates of return, standard deviation, and asset class correlations)?
2. What is the time horizon for capital market assumptions, what asset classes are included, and how often are they updated?

Risk Tolerance

1. If the technology incorporates a risk tolerance assessment, what assumptions are made in calculating the risk tolerance?
2. How does the technology account for differences in risk tolerance between co-clients?

Tax Calculations (State and Federal)

1. What taxes are calculated (for example, income, capital gains, estate, state, and other taxes) and how are they calculated?
2. How does the technology account for differences in tax filing status and the characteristics of relevant account types, such as annuities, trusts, or inherited IRAs?
3. How does the technology treat different income sources, such as wages, investment income, and Social Security income?
4. Does the technology account for different or changes in tax rates and deductions and how they may impact the plan?

Mortality Assumptions and Longevity Risk

1. How does the technology derive longevity (such as by using actuarial tables or user specified values)?
2. Does the technology use different lifespans for spouses or partners?

Health Care Expenses

1. Does the technology account for projected health care costs (such as Medicare premiums, drug costs, or bridge healthcare costs) and, if so, what costs are included and how are they derived?
2. Does the technology account for long-term care costs and, if so, how are they derived?

Social Security Benefits

1. How are Social Security benefits calculated or entered?
2. How does the technology determine the income information that is needed for Social Security projections?

Decumulation Strategy

1. What is the default decumulation strategy and can the user adjust it?
2. Does the technology account for required minimum distributions?

Estate Planning Assumptions

1. What are the technology's default assumptions regarding estate distribution, portability, probate fees, gifting, and survivorship?
2. How does the technology account for different types of ownership, such as trusts and individually or jointly titled assets?

Cash-Flow Versus Goal-Based Planning

1. What are the technology's assumptions concerning what is done with cash surpluses or shortfalls (for example, assuming that excess cash is spent or reinvested)?
2. What are the technology's assumptions regarding the accounts used to fund goals, including default cash reserves?
3. If the technology uses both cash-flow and goal-based modeling, what are the differences in assumptions between each method?

Fees

1. Does the technology allow for or make any assumptions regarding applicable fees in its projections (such as accounting for advisor fees in the projected rate of return)?

■ Question Regarding the Assessment of Outcomes

In addition to reviewing the technology's results and understanding the technology's methodology, a CFP® professional can assess the reliability, objectivity, and appropriateness of their technology's outcomes by evaluating the vendor's or its team's experience and the vendor's relationship with other entities.

If the vendor or its affiliates receive additional economic benefit for certain products, those products may receive preference by the technology. It is also important to understand whether the technology's questions may lead to a predetermined outcome (such as selecting a particular product or service) that is not in the best interests of a Client.

1. Does the vendor have a process for ensuring the reliability, objectivity, and appropriateness of the technology's outcomes?
2. Does the vendor or the vendor's team have experience in developing reliable technology?
3. Is the vendor affiliated with any entities whose products are suggested by the technology and, if so, how does the technology ensure the objectivity of its outcomes with regard to affiliates' products?
4. Does the vendor provide an adequate opportunity to assess the reliability, objectivity, and appropriateness of the technology's outcomes?

Technology Evaluation Checklist

CFP Board designed this checklist as a helpful resource for CFP® professionals when evaluating their Technology Platform, determining whether to add or replace technology, or selecting vendors. The Technology Standard does not require CFP® professionals to consider every issue identified in this checklist. The following considerations are not exhaustive and certain items may not be relevant to a CFP® professional's present circumstances.

■ Potential Considerations when Evaluating Technology Platforms, Vendors, and New Technology

A CFP® professional's Technology Platform should support and align with the duties owed to Clients under CFP Board's *Code of Ethics and Standards of Conduct*, as well as their and their firm's goals and objectives. When evaluating the Technology Platform, and determining whether to add or replace any technology, it is important to understand (i) client needs, (ii) day-to-day business operations, (iii) the current technology, (iv) how that technology supports business operations, and (v) how any new technology could better support current and future client and business needs.

Potential considerations can include:

Understanding Client Needs and Day-To-Day Business Operations

- Does the Technology Platform meet the needs of the Client population and adequately accommodate current workflows?
- What are the most important tools for the CFP® professional's day-to-day operations?
- Are there opportunities to automate aspects of the workflow and day-to-day operations?
- What tools could help business operations run smoother or improve the Client experience?

Evaluating the Current Technology Platform

- What software and hardware comprise the current Technology Platform?
- Are there any problems or gaps in the current Technology Platform?
- Has the CFP® professional reviewed the capabilities and intended usage of the Technology Platform, including release notes to updates or patches that may have eliminated prior gaps?

Evaluating the Current Technology Platform (cont.)

- Do any components of the Technology Platform not integrate well with other components?
- Is any component of the Technology Platform obsolete, outdated, end-of-support, or undermining the ability to deliver outcomes that are reliable, objective, and appropriate?
- Does any component of the Technology Platform have a vulnerability that presents a security risk?
- Is the Technology Platform compatible with the CFP® professional's custodians' software systems?
- Does the Technology Platform provide the best value for the CFP® professional's business needs?
- Does any component of the Technology Platform provide transition capabilities that simplify migration to new or different technologies?

Evaluating Technology Solutions for Current and Future Client and Business Needs

- What is the purpose of adding the new technology?
- How will the new technology address problems with or gaps in the current Technology Platform?
- Do the new technology's assumptions produce reliable, objective, and appropriate outcomes?
- Will the new technology be compatible with other components of the Technology Platform, such that it will function properly?
- Will the new technology effectively integrate with the other components of the Technology Platform?
- How will the new technology fit into the organizational structure and workflows?
- Who will use the new technology?
- Does the new technology provide the user a guided or intuitive workflow?
- Do the new technology's client-facing reports and visual representations (if any) help communicate the CFP® professional's recommendations and meet client needs?
- Do the benefits of the new technology's features outweigh the technology's overall anticipated ongoing and future costs?
- Have the necessary personnel and financial resources been allocated to successfully implement the new technology, such as ensuring users receive necessary training?
- Will the new technology scale with anticipated growth in operations?
- Does the vendor offer different packages of features at different price points?
- Does the new technology work "out-of-the-box" or does it require additional configuration or customization?

■ Vendor Evaluation & Due Diligence

Before choosing a vendor, it is important to conduct due diligence. Below are some ways a CFP® professional can obtain information about technologies and vendors prior to deciding whether or not to use a particular vendor.

When reviewing and weighing the information collected, particular attention should be paid to matters such as reliability, stability, and security if the technology would be critical to the CFP® professional's day-to-day operations.

The overall amount of information collected and reviewed depends on individual circumstances and the importance of the technology to day-to-day operations.

Ways To Obtain Information on Technologies and Vendors

- Obtain feedback from a technology consultant.
- Ask the vendor tailored questions, such as ones carefully selected from CFP Board's Sample Questionnaires.
- Review publicly available information on the technology's, the vendor's, and the vendor's team's reputation or experience in the industry, such as media reports, user reviews and ratings, or industry surveys.
- Ask for recommendations from business partners or other CFP® professionals who utilize the same technology.

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