



CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

Backgrounder

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.

Strategic Priorities

To give focus to CFP Board's work to further its mission, CFP Board's Board of Directors and executive leadership team have developed a strategic plan for the organization's operations during the next several years. The collaborative development of the plan aligns CFP Board's governance and policies with the operations of CFP Board. The latest plan, adopted in November 2016, sets forth four strategic priorities, each tied to CFP Board's mission to benefit the public:

- Growing **Awareness** of CFP® certification as the recognized standard for competent and ethical financial planners;
- Expanding **Access** to competent and ethical financial planning by increasing the number and diversity of CFP® professionals;
- Assuring **Accountability** by holding CFP® professionals to rigorous standards and by advocating for fiduciary advice, recognition of financial planning as a profession, and effective regulation of financial planners; and
- Serving as the respected **Authority** for the profession by setting standards, certifying financial planners, and by advancing the Center for Financial Planning.

History

Certified Financial Planner Board of Standards, Inc. (CFP Board) was founded in 1985 as a 501(c)(3) non-profit.

Financial planning developed as a profession after World War II to help meet the financial needs of Americans.

The creation of CFP Board took place relatively early in the development of the movement that became known as the financial planning profession. On December 12, 1969, the movement experienced a watershed moment when 13 men gathered in Chicago and outlined the first steps to further the idea that people could benefit from professional assistance from a profession that integrated knowledge and practices from the many often-fragmented areas of the financial services industry. Resolutions were made to create the International Association for Financial Planners (IAFP) and the College for Financial Planning.

In 1972, IAFP enrolled its very first group of students for the Certified Financial Planners (CFP) course at the College for Financial Planning. The 35 members of the first graduating class then formed a new membership organization called the Institute of Certified Financial Planners (ICFP) in 1973.

More than a decade after the introduction of the educational program that led to the creation of the CFP® certification, it became clear that while the College had made great strides in developing the body of knowledge that was a vital component of developing financial planning professionals, an educational institution was not the proper entity to enforce the ethical standards, an integral part of the growing profession.

In 1985, The College entered an agreement to establish an independent, non-profit certifying and standards-setting organization, and transferred ownership of the CFP® marks and responsibility for continuing the CFP® certification program to the new organization, International Board of Standards and Practices for Certified Financial Planners, Inc. (IBCFP), now known as CFP Board.

In April 1995, CFP Board's certification program received accreditation from the National Commission for Certifying Agencies (NCCA) of the National Organization for Competency Assurance (now the Institute for Credentialing Excellence), the first such accreditation for a non-health-related certification in the U.S. CFP Board earned NCCA accreditation because it showed that its certification program is grounded in, and continues to meet, legal and industry testing requirements and accreditation standards for certification programs.

In December 2007, after more than 20 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. As a result of strategic and active engagement with key public policy issues affecting consumers, the high standards CFP Board maintains for those who hold CFP® certification, and the competent and ethical services that tens of thousands of CFP® professionals provide to the American public on an ongoing basis, CFP Board has become a well-respected organization and recognized voice advocating the value of personal financial planning for the public interest.

In April 2011, CFP Board launched its first large-scale public awareness campaign to increase public awareness of CFP® professionals. As part of the campaign, CFP Board will be placing advertisements in national cable television, print and online media channels, as well as engaging in extensive public relations and consumer outreach activities in support of the campaign. The campaign has been a great success, doubling the target market's unaided awareness of CFP® certification in only four years. Learn more about the ongoing public awareness campaign at www.CFP.net/publicawareness.

In November 2015, CFP Board announced the creation of the CFP Board Center for Financial Planning with a Lead Founding Sponsor contribution from TD Ameritrade Institutional. The Center seeks to create a more diverse and sustainable financial planning profession so that every American has access to competent and ethical financial planning advice. Learn more about the Center at www.centerforfinancialplanning.org.

Governance

CFP Board's Board of Directors (Board) is accountable for CFP Board's success and responsible for its governance. The Board is composed of individuals with varied backgrounds relevant to CFP Board's mission and diverse stakeholder interests, with a majority of Board members required to hold CFP® certification. As with many certification bodies, election to the Board is decided by an annual vote of the Board, with candidates selected by the Board's Nominating Committee from applicants who indicate interest in serving. Board members are volunteers who serve four-year terms, and each year the Board assigns leadership to an individual who is appointed Chair.

The Board establishes policies through CFP Board's Bylaws, Mission and Strategic Priorities, and it charges CFP Board's staff to conduct activities within the parameters set by those policies. The Board has responsibility for ongoing monitoring and evaluation of the organization's activities and the performance of the Chief Executive Officer, who is accountable for ensuring the business plan is implemented within prudent and ethical limitations set by the Board.

Contact

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