

## **Appendix A from AFP<sup>CM</sup> & CFP<sup>CM</sup> Practitioner Manual**

### ***Subject Topics Accepted for CPD Credit Hours***

FPAS views continuing professional development as a form of re-certification and, therefore, should be tied directly to the knowledge, skills, and abilities that are addressed in the certification process. The following list outlines the subject topics that are accepted for AFP<sup>TM</sup>, AWP and CFP<sup>CM</sup> certification CPD credit. Completion of course work covering one or more of these areas from an approved continuing professional development program would generate CPD credits hours.

There are many continuing professional development opportunities that enhance an AFP<sup>TM</sup>, AWP and CFP<sup>CM</sup> practitioner's professional's practice. While FPAS encourages AFP<sup>TM</sup>, AWP and CFP<sup>CM</sup> practitioners to avail themselves of these courses, they will not be counted for continuing professional development credit. Subject topics **not** accepted for AFP<sup>TM</sup>, AWP and CFP<sup>CM</sup> Certification CPD are: computer hardware and software, marketing, practice management, sales, or specific company or product presentations.

### ***FINANCIAL PLANNING PROCESS***

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.
4. Developing and presenting the financial plan
5. Implementing the financial plan
6. Monitoring the financial plan

### ***JOB KNOWLEDGE REQUIREMENTS***

#### General Principles

7. Regulatory requirements for certificants
8. Ethical and professional considerations in financial planning
9. Assessment of risk and client behavior
10. Financial planning for special needs
11. Economic environment and indicators
12. Calculate and interpret time value of money
13. Asset valuation for financial planning functions
14. Ways of taking title to property (sole, joint, community, etc)
15. Legal aspects of financial planning
16. Budgeting

17. Personal use-asset management

### **Insurance Policies and Strategies**

18. Principles of insurance

19. Identification of life, health, homeowners, auto and other property and liability risk exposures

20. Legal aspects of insurance

21. Insurance industry regulation

22. Property and liability policy analysis

23. Policy analysis

24. Life insurance policy analysis

25. Annuity policy analysis

26. Health insurance policy analysis

27. Taxation of insurance products

28. Selecting insurance companies and agencies

### **Risk Management**

29. Client assessment

30. Marketability/liquidity

31. Types of investment risk

32. Measurement of risk

33. Influence of time on investment risk

### **Investment vehicles**

34. Government regulation of securities and markets

35. Investment vehicles

36. Types and measures of investment returns

37. Bond and stock valuation methods

38. Portfolio performance measurement

## **Investment Theory and Strategies**

- 39. Formula investing
- 40. “Active” and “passive” strategies
- 41. Leverage and use of borrowed funds for investing
- 42. Hedging and option strategies
- 43. Asset allocation: active and passive
- 44. Pricing models
- 45. Efficient market hypothesis
- 46. Investment vehicles match to client needs
- 47. Tax impact on time value analysis of investments

## **Tax Planning Considerations**

- 48. Ethical considerations in tax planning
- 49. Income tax fundamentals
- 50. Tax compliance matters
- 51. Taxation terminology

## **Tax Computations**

- 52. Tax calculations and specific rules
- 53. Tax accounting
- 54. Basis and cost recovery concepts

## **Tax Planning Strategies**

- 55. Tax management techniques
- 56. Interest and penalty taxes and other charges
- 57. Tax pitfalls

## **Retirement plans and Strategies**

- 58. Ethical considerations in retirement planning and employee benefits
- 59. Types of retirement plans
- 60. Retirement needs analysis
- 61. Recommendation of the most appropriate type of retirement plan

62. Suitability of an investment portfolio for a retirement plan.

**Employee benefits**

63. Life, medical and disability plans in employee benefit programs

64. Other employee benefits

65. Business applications of individual life and disability insurance

**Estate Planning Benefits and Strategies**

66. Estate planning overview

67. Estate planning pitfalls and weaknesses

68. Methods for property transfer at death

69. Estate planning documents

70. Probate

71. Liquidity planning

72. Features of trusts

73. Taxation of trusts and estates

74. Life insurance for estate planning