FPSB Requirements for CFP Certification
A Framework for Financial Planning Professionalism

FPSB works in conjunction with Members, practicing CFP professionals and subject-matter experts from around the world to create standards for the financial planning profession. FPSB’s requirements for CFP certification demonstrate to those accessing the services of a CFP professional that the financial planner has met rigorous competency, ethics and professional practice standards to provide comprehensive financial planning to clients.

FPSB has developed a framework for financial planning that integrates competency, ethics and professional practice standards for financial planning, along with financial planner certification requirements in the areas of education, assessment and ongoing competency. All organizations and individuals engaged in financial planning can embrace FPSB’s professional framework for financial planning.

CFP Certification

FPSB has specific requirements for the global CERTIFIED FINANCIAL PLANNER certification program. To administer the CERTIFIED FINANCIAL PLANNER certification program, FPSB enters into licensing and affiliation agreements with nonprofit or equivalent organizations that become FPSB Members. By meeting and maintaining FPSB’s affiliation requirements and standards, FPSB Members are authorized to administer the CFP certification program in a territory, on behalf of FPSB.

To obtain CFP certification, individuals must meet rigorous initial certification requirements adapted to local marketplace needs by FPSB Members. To maintain their right to use the CFP Marks, CFP professionals must complete ongoing renewal requirements.

FPSB’s requirements are designed to be consistent across borders; however, each organization administering CFP certification may adapt the requirements to fit with local regulations, laws and products. These requirements are in compliance with FPSB’s public-interest mission of benefiting the clients and potential clients of financial planners looking to identify qualified financial planning professionals around the world.

The Professional Standards and Certification Requirements that support FPSB’s global professional framework for financial planning are developed using an extensive drafting and consultative process. FPSB’s process relies on input from standards-setting experts, certification specialists, practicing financial planners, academics and consumer representatives from around the world, as well as from FPSB’s nonprofit member organizations representing close to 160,000 CFP professionals in 26 territories.
FPSB’s CFP Certification Framework

This diagram illustrates the linear process of the certification scheme. The schemes under which CFP professionals achieve certification are Education, Experience, Examination, Ethics and Enforcement. While this has not changed, these major areas of any certification program can be further broken down into individual steps, as illustrated below.

- Step 1 for a future CFP professional is to complete his or her Education.
- Steps 2 – 5 form the Assessment conducted by the Certifying Body:
  - Evaluation of professional Work Experience;
  - Evaluation of the ability to develop and deliver a Financial Plan;
  - Successful completion of an Examination or series of Examinations; and
  - Evaluation of Professional Fitness by the Certifying Body.
- Step 6 is the issuance of the credential (a Professional Certificate) by the Certifying Body including the requirements for adherence to professional ethics, standards of conduct and use of the Marks.
- Step 7 includes the requirements for maintaining professional skills and abilities through measurement of Ongoing Competency learning activities.
- Step 8 includes the requirements and timeframe for Recertification and maintaining the individual’s ability to continue use of the CFP professional credential.

The Requirements that follow are numbered based on the 8 steps described above.
1. FPSB Requirements for Education

Scope

Formal education supports financial planning professionals as they apply the financial planning process in diverse or complex Client situations. Clients will benefit from a globally accepted education standard for financial planning professionals.

Requirements for CFP Certification

1.1 Education Program for Financial Planner Certification

An Applicant for financial planner certification completes a financial planner education program whose format and content meet the specifications described in FPSB’s *Financial Planning Curriculum Framework*, localized for the territory.

1.2 Academic Level

The overall academic level at which the financial planner education program is delivered is at least equivalent to that described by FPSB’s *Financial Planning Curriculum Framework* Learning Level Descriptors.

2. FPSB Requirements for Work Experience

Scope

Work Experience supports financial planning professionals as they apply the financial planning process in diverse or complex Client situations. Engaging in supervised practice is the most effective method of gaining professional experience. Clients will benefit from a globally accepted experience standard for financial planning professionals.

Requirements for CFP Certification

2.1 Relevant Work Experience for Financial Planner Certification

An Applicant for financial planner certification demonstrates Relevant Work Experience, either Supervised or Unsupervised, working with Clients by performing activities in each of the following:

- Engage in practice described in FPSB’s *Financial Planning Practice Standards*;
- Apply the abilities, skills and knowledge described in FPSB’s *Financial Planner Competency Profile*; and
- Adhere to the ethical principles described in FPSB’s *Financial Planner Code of Ethics and Professional Responsibility*.

2.2 Supervised Experience

The Applicant meets the Supervised Experience requirement by completing one year of supervised practice as described under Relevant Work Experience (2.1) and Recency of Relevant Work Experience (2.4). At the end of the period of supervised experience, the Supervisor affirms to the Certifying Body, in writing, the Applicant’s ability to practice financial planning.
2.3 Unsupervised Experience

The Applicant meets the Unsupervised Experience requirement by completing three years of unsupervised practice as described under Relevant Work Experience (2.1) and Recency of Relevant Work Experience (2.4).

2.4 Recency of Relevant Work Experience

The Applicant obtains Work Experience in the 10 years preceding the date of financial planner certification or within 10 years of the date of passing the final certification exam.

2.5 Documentation

The Certifying Body documents evidence of the Applicant’s claimed Relevant Work Experience (2.1).

3. FPSB Requirements for Financial Plans

Scope

The ability to develop and deliver a comprehensive Financial Plan supports financial planning professionals as they apply the financial planning process in diverse or complex Client situations. Clients will benefit from a globally accepted Financial Plan standard for financial planning professionals.

Requirements for CFP Certification

3.1 Financial Plan Development for Financial Planner Certification

An Applicant for financial planner certification develops a Financial Plan that demonstrates mastery of:
- The Fundamental Financial Planning Practices described in FPSB’s Financial Planner Competency Profile;
- The ability to integrate across the Financial Planning Components described in FPSB’s Financial Planner Competency Profile; and
- Appropriate Financial Planner Professional Skills described in FPSB’s Financial Planner Competency Profile.

4. FPSB Requirements for Examinations

Scope:

Successful completion of a professional examination or series of examinations supports the public’s desire to engage qualified, competent financial professionals.

Requirements for CFP Certification

The candidate must pass a single or multiple certification examination(s) based on FPSB’s Financial Planner Competency Profile that:

1. Tests the knowledge and abilities of candidates, covering the Fundamental Financial Planning Practices and Financial Planning Components described in FPSB’s Financial Planner Competency Profile; and

2. Is independent of examinations provided as part of an education program.
FPSB Member organizations' examination(s) meet the following requirements:

1. Research (job analysis) should be conducted to demonstrate that tests address current and anticipated critical work functions, job tasks and financial planning knowledge, skills and abilities.

2. A test specification relying on FPSB standards should be developed by an expert panel that uses its expertise, and the results of a job analysis, to define cognitive levels and weigh content areas based on importance and frequency.

3. Item writers (i.e., subject matter experts), reviewers and editors should be trained in the form of test being used (multiple choice, constructed response, etc.).

4. Test items should be written to the test specification.

5. Test items and test forms should be independently reviewed and approved prior to being used.

6. Test items should incorporate cognitive levels appropriate to the learning outcomes being measured.

7. Item-level data should be used to select equating items (the score on a new exam form and the score on a reference form should be equivalent) and to assess item performance for test administrations.

8. All reported scores should be based on a pass-fail standard to assess competency in financial planning, with sufficient data to show a high level of reliability and validity.

9. Test results should be repeatable; therefore, data should be collected and analyzed at the item level to show reliability, errors of measurement and difficulty.

10. All forms of a test should be statistically equivalent until a new test specification is implemented.

11. The Certifying Body should understand and be able to justify the test pass rate over time.

12. Test administration procedures should be developed and consistently administered that address uniform test administrations, test security, irregularities, scoring and score reporting.

13. Programs should document and publish test policies and procedures to comply with all applicable domestic laws and requirements for testing individuals with disabilities.

14. Policies and procedures should be implemented to ensure that all test candidates are treated equally and fairly.

15. Programs should develop and implement test policies and procedures that address the rights of a candidate to appeal assessment results within a reasonable period of time.

16. The Certifying Body should document exam processes and procedures including those to develop and administer tests, establish the passing score, analyze item data and evaluate candidate performance.

17. The Certifying Body should retain data about test candidate performance for a reasonable period of time, or any period required by law, as appropriate.
7. FPSB Requirements for Ongoing Competency

Scope
Continuing Professional Development (CPD) allows financial planning professionals to maintain the abilities, skills and knowledge necessary for professional practice. Clients will benefit from a globally accepted CPD standard for financial planning professionals.

Requirements for CFP Certification

7.1 Relevant Continuing Professional Development

- A financial planning professional demonstrates fulfillment of professional development obligations by engaging in learning activities that maintain and develop his or her abilities, skills, knowledge and professional conduct as described in FPSB’s:
  - Financial Planner Competency Profile;
  - Financial Planner Code of Ethics and Professional Responsibility; and
  - Financial Planning Practice Standards.

7.2 Hour Requirement

A financial planning professional completes a minimum of 30 hours of continuing professional development every two years, the completion of which is verifiable by the Certifying body. At least two of the 30 hours cover content directly relating to FPSB’s Financial Planner Code of Ethics and Professional Responsibility and/or Financial Planning Practice Standards.

7.3 Documentation

A financial planning professional maintains a record of his or her continuing professional development and reports hours completed to the Certifying body each reporting cycle.
Glossary / Definitions

*Academic Work:* Conducting teaching and research.

*Applicant:* An individual seeking CFP certification who may not yet be a Candidate, and is in the process of having his or her eligibility reviewed by the Certifying Body.

*Candidate:*  
1. An individual seeking CFP certification who has met all prerequisite requirements and is eligible to take the CFP exam(s).  
2. An individual seeking CFP certification who is taking or has taken one or more parts of the CFP exam, but has not yet passed all required components of the exam.

*Certifying Body:* The entity overseeing the financial planning certification program.

*Client:* A person, persons or related entities with whom the financial planning professional has a formal planner-Client relationship.

*Client Life Goals and Objectives:* A Client’s life goals represent the needs and wants, and the dreams and aspirations of the Client. Where goals and objectives are separately identified, a goal may be seen as an overarching principle that guides decision making, while objectives are specific, measurable steps that can be taken to meet the goal.

*Continuing Professional Development:* The process of post-certification learning activities to enhance professional growth and competency. This is sometimes referred to as “Continuing Education.”

*Continuing Professional Development Plan:* A plan, developed by a CFP professional, that outlines how he or she will gain additional knowledge, skills or abilities to improve his or her practice.

*Financial Plan:* A methodically formulated and detailed strategy or group of strategies used to manage one’s financial affairs to meet life goals.

*Financial Planning Components:* The six categories of Financial Planner Abilities addressed in personal financial planning:

- Financial Management
- Asset Management/Investment Planning
- Risk Management
- Tax Planning
- Retirement Planning
- Estate Planning

*FPSB Member Organization:* An organization that is bound by licensing and other agreements to administer and deliver FPSB’s certifications.

*Paraplanner:* One who primarily performs the administrative duties of a financial planning professional. Preparing and maintaining Client files is one example of a Paraplanner’s duties.

*Supervisor:* A financial planning professional who has the abilities, skills and knowledge described in FPSB’s *Financial Planner Competency Profile*, whether or not he or she is a CFP professional, who supervises individuals on the path to certification. The Supervisor:

- Provides Candidates with experience in, and instruction about, the practice of the profession;  
- Helps Candidates to develop knowledge about the practice of the profession;  
- Teaches Candidates the required standards of conduct; and  
- Confirms Applicants/Candidates are able to interact with Clients.

*Work Experience:* includes all on-the-job experience, whether or not for compensation.