



FINANCIAL PLANNING STANDARDS BOARD



Financial Planner Competency Framework

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FPSB'S FINANCIAL PLANNER COMPETENCY PROFILE

A comprehensive analysis that identifies the knowledge, skills and competencies required to competently perform the tasks of a profession, its competency profile, is the cornerstone of a quality professional credentialing program. There are three key points to be made by way of background to the FPSB Financial Planner Competency Profile (“the Profile”).

First, the Profile presents the knowledge, skills and competencies expected of anyone practicing financial planning, regardless of geography or legal jurisdiction. FPSB expects that clients of financial planning professionals will benefit from a globally accepted set of competency standards for financial planning professionals.

Second, the Profile has been developed to detail the knowledge, skills and competencies, attitudes and judgments that a financial planning professional utilizes when working with clients in financial planning engagements. When providing a financial planning service to a client, a financial planning professional needs to draw on knowledge of financial planning matters, use appropriate professional skills, and combine these with the ability to carry out the tasks of financial planning. Indeed, competent performance is defined by the financial planning professional's effective deployment, in combination, of the relevant knowledge, skills and competencies.

Third, the Profile reflects not only what a financial planning professional does today, in a variety of situations and contexts, but also reflects FPSB's expectations for the development of the financial planning profession over the next five years. The Competency Profile describes the full range of knowledge, skills and competencies needed to competently deliver financial planning to clients. Financial planning professionals who have chosen to specialize or limit the scope of their practice (e.g., in one or two Financial Planning areas, such as Estate Planning or Tax Planning) should nonetheless consider the entire set of financial planner skills and competencies to identify which are relevant to the client engagement.

FINANCIAL PLANNING KNOWLEDGE (Cognitive Competence)

Competent performance as a financial planning professional requires a person first to master theoretical and practical knowledge in a broad range of financial planning and related topics. Once mastered, the financial planning knowledge can be combined with professional skills and abilities to competently deliver financial planning.

Demonstrable financial planning knowledge allows the financial planning professional to gain and retain the respect and trust of clients, and builds the financial planning professional's confidence in his or her ability to practice competently.

FINANCIAL PLANNING KNOWLEDGE FRAMEWORK

FPSB's financial planning knowledge identifies the knowledge a financial planning professional must be able to draw on to deliver high quality financial planning to clients, or when interacting with colleagues or others in a professional capacity.

FPSB categorizes the financial planning knowledge framework into:

1. Financial Planning Principles, Process and Skills
2. Financial Management
3. Tax Principles and Optimization
4. Investment Planning / Asset Management
5. Risk Management and Insurance Planning
6. Retirement Planning
7. Estate Planning and Wealth transfer
8. Integrated Financial Planning

FINANCIAL PLANNING KNOWLEDGE TOPIC CATEGORIES

1. Financial Planning Principles, Process, and Skills

- 1.1 Financial planning process
- 1.2 Financial planning practice and ethics
- 1.3 Professional Skills
- 1.4 Regulatory, economic and political environments that affect personal financial planning
- 1.5 Law and compliance
- 1.6 Time value of money
- 1.7 Client characteristics
- 1.8 Client risk profile
- 1.9 Client engagement and communication
- 1.10 Critical thinking

2. Financial Management

- 2.1 Principles of financial management
- 2.2 Personal and small business balance sheet (net worth statement)
- 2.3 Use and non-use assets
- 2.4 Cash flow statement
- 2.5 Budget preparation and management
- 2.6 Savings analysis and strategy
- 2.7 Emergency fund
- 2.8 Credit and debt management
- 2.9 Financial ratio analysis
- 2.10 Specific purpose planning

3. Tax Principles and Optimization

- 3.1 Taxation principles
- 3.2 Tax planning objectives
- 3.3 Tax planning principles
- 3.4 Tax planning law and policy
- 3.5 Tax analysis and calculations
- 3.6 Tax planning strategies
- 3.7 Tax planning for asset location

4. Investment Planning / Asset Management

- 4.1 Investment principles
- 4.2 Investment objectives, constraints, capacity and suitability
- 4.3 Investment time horizon
- 4.4 Behavioral finance
- 4.5 Asset classes
- 4.6 Investment theory
- 4.7 Performance measurement
- 4.8 Asset allocation and performance
- 4.9 Investment products – evaluation,

selection and monitoring

5. Risk Management and Insurance Planning

- 5.1 Risk management principles
- 5.2 Insurance planning objectives
- 5.3 Analysis and evaluation of risk exposures
- 5.4 Risk strategies
- 5.5 Risk management products
- 5.6 Insurance law and claims process
- 5.7 Product, company and adviser selection and due diligence

6. Retirement Planning

- 6.1 Retirement principles
- 6.2 Retirement objectives
- 6.3 Retirement needs analysis and forecasts
- 6.4 Potential sources of retirement income
- 6.5 Retirement income and withdrawal projections and strategies
- 6.6 Retirement planning and funding products

7. Estate Planning and Wealth Transfer

- 7.1 Estate planning principles
- 7.2 Estate planning objectives
- 7.3 Legal related issues
- 7.4 Asset ownership and its implications
- 7.5 Estate planning documents
- 7.6 Succession planning
- 7.7 Special family situation
- 7.8 Projected financial situation at death
- 7.9 Estate planning strategies
- 7.10 Philanthropy and charitable giving
- 7.11 Management in the event of incapacity (i.e., living estate planning)

8. Integrated Financial Planning

- 8.1 Client engagement, communication, and financial planning process
- 8.2 Collection and data
- 8.3 Attitudes, goals and objectives
- 8.4 Issues and problems
- 8.5 Analysis
- 8.6 Strategies
- 8.7 Synthesis and recommendations
- 8.8 Implementation
- 8.9 Periodic review

FINANCIAL PLANNER PROFESSIONAL SKILLS (Functional Competence)

The professional skills and social competencies described in *FPSB's Financial Planner Competency Profile* are those a financial planning professional must possess or develop to deliver advice to clients in financial planning engagements that involve a high degree of trust, uncertainty, complexity and mutual agreement with clients of varying circumstances, or when interacting with colleagues or others in a professional capacity. While some of these skills and competencies are specific to financial planning, many are common to all professions.

FPSB has categorized the professional skills and social competencies required of a financial planning professional into four areas:

1. Professional Responsibility
2. Practice
3. Communication
4. Cognitive

Within each of these areas, FPSB has identified a series of criterion referenced statements that can be used to determine, by observation of process and outcomes, that the practitioner has developed the skills necessary to delivering a financial planning service at an appropriate level of professionalism. These are detailed in the table Financial Planner Professional Skills on the next page.

Central to FPSB's concept of professionalism is the recognition of the twofold requirement to work in the interest of clients and to uphold and promote the interests of the financial planning profession for the benefit of society.

Financial planning professionals need to be able to seamlessly integrate one or more professional skills with appropriate knowledge and abilities into each of their professional actions and interactions, and to commit to continually updating their professional skills to maintain competency in the field of financial planning.

FINANCIAL PLANNER PROFESSIONAL SKILLS (SOCIAL COMPETENCE) MATRIX

FINANCIAL PLANNER PROFESSIONAL SKILLS (SOCIAL SKILLS) MATRIX			
PS.1. Professional Responsibility	PS.2. Practice	PS.3. Communication	PS.4. Cognitive
<p>PS.101 Establishes trust in all professional relationships</p> <p>PS.102 Acts in the best interest of the client in providing professional services</p> <p>PS. 103 Demonstrates ethical judgment</p> <p>PS.104 Demonstrates intellectual honesty and impartiality</p> <p>PS.105 Recognizes limits of competence and voluntarily seeks the counsel of and/or defers to other professionals when appropriate</p> <p>PS.106 Recognizes the public interest role of the profession and acts accordingly</p>	<p>PS.201 Complies with relevant financial services laws and regulations</p> <p>PS. 202 Adheres to professional code of ethics and standards of practice</p> <p>PS.203 Makes appropriate judgments in areas not addressed by existing practice standards</p> <p>PS.204 Maintains awareness of changes in the economic, political and regulatory environments</p> <p>PS.205 Engages in continuous learning to ensure currency of knowledge and skills</p> <p>PS.206 Conducts appropriate research when performing analysis and developing strategies</p> <p>PS.207 Exercises autonomy and initiative in the performance of professional activities</p> <p>PS.208 Exercises responsibility for own ability to deliver services to the client for the duration of engagement</p>	<p>PS.301 Gives attention to what clients and others are saying and takes time to understand the points being made</p> <p>PS. 302 Establishes good rapport with the client and others</p> <p>PS.303 Communicates information and ideas verbally in a manner understandable, accurate and not misleading to the client and others</p> <p>PS.304 Communicates information and ideas in writing in a manner understandable, accurate and not misleading to the client and others</p> <p>PS.305 Presents logical, goal achieving and persuasive rationales</p> <p>PS.306 Deals effectively with objections and complaints</p> <p>PS. 307 Obtains agreement with the client and others</p>	<p>PS.401 Applies mathematical methods or formulas as appropriate</p> <p>PS. 402 Analyzes and integrates information from a variety of sources to arrive at solutions</p> <p>PS.403 Uses logic and reasoning to compare the strengths and weaknesses of potential courses of action</p> <p>PS.404 Arrives at best informed decisions when faced with incomplete or inconsistent information</p> <p>PS.405 Demonstrates capacity to adapt thinking and behaviors</p>

FINANCIAL PLANNER AREAS OF COMPETENCE



FPSB's Financial Planner Areas of Competence defines the complete set of competencies required of a financial planning professional. The Financial Planner Competencies describes the various tasks that financial planning professionals should be able to carry out during financial planning engagements with clients, regardless of practice type, setting or location, and across a variety of situations and contexts. The financial planning professional draws on one or more of the Financial Planner Competencies, in addition to job-related skills, attitudes, judgments and knowledge, to competently deliver financial planning to clients.

Regardless of whether the financial planning professional offers comprehensive financial planning or has chosen to limit the scope or level of services (e.g., in one or two areas such as Estate Planning or Tax Planning), the financial planning professional needs to be able to master the complete set of competencies required to competently deliver a comprehensive financial plan to a client.

Financial planning professionals should master each of the Financial Planner Competencies at an appropriate level, and will likely work with other professionals in evaluating and assessing various aspects of a client's financial situation (e.g., working with lawyers on estate planning matters, working with accountants on tax planning matters, etc.).

FINANCIAL PLANNER AREAS OF COMPETENCY FRAMEWORK

FINANCIAL PLANNING COMPONENTS	1. Financial Planning Principles, Process and Skills			
	FINANCIAL PLANNING FUNCTIONS	Collection	Analysis	Synthesis
	2. Financial Management	→		→
	3. Tax Principles and Optimization			→
	4. Investment Planning / Asset Management			→
	5. Risk Management and Insurance Planning			→
	6. Retirement Planning			→
	7. Estate Planning and Wealth Transfer			→
	8. Integrated Financial Planning	↓	↓	↓

Each financial planner ability describes a task that a financial planning professional performs when providing financial planning to a client. While recognizing the integrated nature of the financial planner competencies and that each ability could appear under multiple categories, for presentation purposes, FPSB has listed each financial planner ability vertically to one of three financial planning functions (collection, analysis and synthesis) and horizontally to one of eight financial planning areas (Financial Management, Tax Principles and Optimization, Investment Planning / Asset Management, Risk Management and Insurance Planning, Retirement Planning, Estate Planning and Wealth Transfer and Integrated Financial Planning). The competencies associated with Financial Planning Principles, Process and Skills are listed above all the others because they are fundamental to a financial planner's competencies.

FINANCIAL PLANNING FUNCTIONS

FPSB has categorized the financial planner competencies into three financial planning functions:

Collection

During Collection, the financial planning professional collects the information required to develop a financial plan. Collection goes beyond simply gathering information to also include identifying related facts by making required calculations and arranging client information for analysis.

Core Competencies: During Collection, the core financial planning competencies are:

1. Collects the quantitative information required to develop a financial plan.
2. Collects the qualitative information required to develop a financial plan.

Analysis

During Analysis, the financial planning professional identifies and considers issues, performs financial analysis and assesses the resulting information to be able to develop strategies for the client.

Core Competencies: During Analysis, the core financial planning competencies are:

1. Considers potential opportunities and constraints to develop strategies.
2. Assesses information to develop strategies.

Synthesis

During Synthesis, the financial planning professional synthesizes the information to develop and evaluate strategies to create a financial plan.

Core Competency: During Synthesis, the core financial planning competency, which draws on the fundamental financial planning practices is:

1. Develops and evaluates strategies to create a financial plan.

FUNDAMENTAL FINANCIAL PLANNING PRACTICES

The Fundamental Financial Planning Practices represent the competencies that relate to the financial planning professional's ability to:

1. Integrate among the various Core Financial Planning Competencies and Financial Planning Areas; and
2. Understand and master the interrelationships among the various Financial Planner Competencies required to carry out a Financial Planning Function.

The financial planning professional will use one or more of the Fundamental Financial Planning Practices when providing financial planning to a client.

FINANCIAL PLANNING AREAS

FPSB has categorized the financial planner competencies into eight financial planning areas:

1. Financial Planning Principles, Process and Skills
2. Financial Management
3. Tax Principles and Optimization
4. Investment Planning / Asset Management
5. Risk Management and Insurance Planning
6. Retirement Planning
7. Estate Planning and Wealth Transfer
8. Integrated Financial Planning

A financial planning professional should not review tax, asset management or retirement needs in isolation when providing financial planning to a client. Similarly, a financial planning professional must incorporate at least one of the financial planner competencies from a particular financial planning function (e.g. collection) or component (e.g. risk planning) while working on a related, but separate, function or area of a client's financial situation.

FINANCIAL PLANNING PRINCIPLES, PROCESS AND SKILLS

The Financial Planning Principles, Process and Skills represent the competencies that relate to the financial planning professional's ability to:

1. Integrate among the various core financial planning competencies and financial planning components; and
2. Understand and master the interrelationships among the various financial planner abilities required to carry out a financial planning function.
3. Engage clients in a successful professional-client relationship by building rapport and trust based on quality advice and service.

The financial planning professional will employ a complex combination of the Financial Planning Principles, Process and Skills area activities when providing financial planning to a client.

1) Financial Planning Principles, Process and Skills	<ul style="list-style-type: none"> 1.1 Apply the financial planning process 1.2 Demonstrate ethical standards in dealings and relationships with clients and third parties 1.3 Apply ethical principles, standards of practice and rules of conduct for the practice of financial planning, relevant to the jurisdiction 1.4 Demonstrate communications skills 1.5 Demonstrate analytical skills 1.6 Demonstrate presentation skills 1.7 Demonstrate knowledge of relevant regulatory, economic and political environments 1.8 Demonstrate relevant knowledge of law and considers and discusses the impact of compliance issues on the practice of financial planning 1.9 Discuss client engagement and behavioral aspects of financial planning applicable to the financial planning engagement 1.10 Demonstrate the ability to understand and address client attitudes toward risk 1.11 Demonstrate knowledge of practice management and other business aspects of financial planning 1.12 Apply time value of money principles 1.13 Explain non-retirement employee and government benefits

Financial Planning Areas:	<p style="text-align: center;">Collection</p> <p style="text-align: center;">Collects the quantitative and qualitative information required to develop a financial plan</p>
<p style="text-align: center;">2) Financial Management</p>	2.1 Collect information regarding the client's assets and liabilities 2.2 Collect information regarding the client's cash flow, income and/or obligations 2.3 Collect information necessary to prepare a budget 2.4 Prepare statements of the client's net worth, cash flow and budget 2.5 Determine the client's propensity to save 2.6 Determine how the client makes spending decisions 2.7 Determine the client's attitudes toward debt
<p style="text-align: center;">3) Tax Principles and Optimization</p>	3.1 Collect the information necessary to establish the client's tax position 3.2 Identify taxable nature of assets and liabilities 3.3 Identify the tax structure of client accounts 3.4 Identify current, deferred and future tax liabilities 3.5 Identify parties relevant to the client's tax situation 3.6 Determine the client's attitudes toward taxation
<p style="text-align: center;">4) Investment Planning / Asset Management</p>	4.1 Collect information to prepare detailed statement of investment holdings 4.2 Determine the client's current asset allocation 4.3 Identify cash flows available for investment, and expected withdrawals from the investment portfolio 4.4 Determine the client's attitudes/biases towards and experience with investments 4.5 Determine the client's investment objectives 4.6 Determine the client's tolerance for investment risk 4.7 Identify the client's assumptions and return expectations and mutually agree on planning assumptions 4.8 Identify the client's goal achievement time horizons
<p style="text-align: center;">5) Risk Management and Insurance Planning</p>	5.1 Collect details of the client's existing insurance coverage 5.2 Identify potential financial obligations of the client 5.3 Determine the client's risk management objectives and risk exposures 5.4 Determine the client's tolerance for risk exposure 5.5 Determine relevant family and lifestyle issues and attitudes 5.6 Determine health issues 5.7 Determine the client's willingness to take active steps to manage financial risk, including lifestyle and health issues
<p style="text-align: center;">6) Retirement Planning</p>	6.1 Collect the details of potential sources of retirement income 6.2 Collect the details of estimated retirement expenses 6.3 Determine the client's retirement objectives 6.4 Determine the client's attitudes towards retirement 6.5 Mutually agree on the client's comfort with retirement planning assumptions
<p style="text-align: center;">7) Estate Planning and Wealth Transfer</p>	7.1 Collect legal agreements and documents impacting estate planning strategies 7.2 Identify the client's estate planning objectives 7.3 Identify family dynamics and business relationships that could impact estate planning strategies
<p style="text-align: center;">8) Integrated Financial Planning</p>	8.1 Identify the client's objectives, needs, values and constraints (e.g., taxes) that have financial implications, with time and funding (money) specificity and prioritization 8.2 Identify the information for the financial plan 8.3 Identify the client's legal issues that affect the financial plan 8.4 Determine the client's attitudes, biases, drivers and level of financial sophistication 8.5 Identify material changes in the client's personal and financial situation 8.6 Prepare information to enable analysis

Financial Planning Areas:	<p style="text-align: center;">Analysis</p> <p style="text-align: center;">Analyze potential opportunities and constraints and assess information to develop strategies</p>
2) Financial Management	2.8 Determine whether the client is living within financial means 2.9 Determine the issues relevant to the client's assets and liabilities 2.10 Determine the client's emergency fund provision 2.11 Compare potential cash management strategies for the client 2.12 Assess whether the emergency fund is adequate 2.13 Assess the impact of potential changes in income and expenses 2.14 Identify conflicting demands on cash flow 2.15 Assess financing alternatives
3) Tax Principles and Optimization	3.7 Review relevant tax documents 3.8 Analyze existing and potential tax strategies and structures for suitability 3.9 Assess financial impact of tax planning alternatives
4) Investment Planning / Asset Management	4.9 Calculate required real rate of return to reach the client's objectives 4.10 Determine the characteristics of investment holdings 4.11 Determine the implications of acquiring/disposing of assets 4.12 Analyze potential investment strategies 4.13 Assess whether investment return expectations are consistent with the risk capacity and tolerance 4.14 Assess whether asset holdings are consistent with risk capacity, tolerance and required rate of return 4.15 Analyze client's current holdings 4.16 Assess potential investment vehicles for use in client portfolios
5) Risk Management and Insurance Planning	5.8 Determine characteristics of existing insurance coverage 5.9 Examine current and potential risk management strategies 5.10 Assess exposure to financial risk 5.11 Assess the client's risk exposure against current insurance coverage and risk management strategies 5.12 Assess the implications of changes to insurance coverage 5.13 Prioritize the client's risk management needs
6) Retirement Planning	6.6 Develop financial projections based on current position, including any gap between income needs and funding 6.7 Determine if the client's retirement objectives are realistic 6.8 Examine potential retirement planning strategies 6.9 Assess financial requirements at retirement to maintain desired lifestyle 6.10 Assess the impact of changes in assumptions on financial projections 6.11 Assess trade-offs necessary to meet retirement objectives
7) Estate Planning and Wealth Transfer	7.4 Project net worth at death 7.5 Analyze constraints to meeting the client's estate planning objectives 7.6 Compare potential estate planning strategies 7.7 Calculate potential expenses and taxes owed at death 7.8 Assess the specific needs of beneficiaries 7.9 Assess the liquidity of the estate at death
8) Integrated Financial Planning	8.7 Analyze the client's objectives, needs, values and information to prioritize the financial planning areas 8.8 Examine inter-relationships among financial planning areas 8.9 Compare opportunities and constraints and assess collected information across financial planning areas 8.10 Examine the impact of economic, political and regulatory environments

Financial Planning Areas:	<p style="text-align: center;">Synthesis</p> <p style="text-align: center;">Synthesize information to develop and evaluate strategies to create a financial plan</p>
2) Financial Management	2.16 Develop financial management strategies 2.17 Evaluate advantages and disadvantages of each financial management strategy 2.18 Optimize strategies to make financial management recommendations 2.19 Prioritize action steps to assist the client in implementing financial management recommendations
3) Tax Principles and Optimization	3.10 Develop tax planning strategies 3.11 Evaluate advantages and disadvantages of each tax planning strategy 3.12 Optimize strategies to make tax planning recommendations 3.13 Prioritize action steps to assist the client in implementing tax planning recommendations
4) Investment Planning / Asset Management	4.17 Develop asset management strategies 4.18 Evaluate advantages and disadvantages of each asset management strategy 4.19 Optimize strategies to make asset management recommendations 4.20 Select appropriate investment vehicles to implement the recommended strategy 4.21 Prioritize action steps to assist the client in implementing asset management recommendations 4.22 Prepare and Investment Policy Statement 4.23 Prepare periodic reporting material
5) Risk Management and Insurance Planning	5.14 Develop risk management strategies 5.15 Evaluate advantages and disadvantages of each risk management strategy 5.16 Optimize strategies to make risk management recommendations 5.17 Prioritize action steps to assist the client in implementing risk management recommendations
6) Retirement Planning	6.12 Develop retirement planning strategies 6.13 Evaluate advantages and disadvantages of each retirement planning strategy 6.14 Optimize strategies to make retirement planning recommendations 6.15 Prioritize action steps to assist the client in implementing retirement planning recommendations 6.16 Discuss with the client the impact of changes in assumptions on financial projections
7) Estate Planning and Wealth Transfer	7.10 Develop estate planning strategies, including living estate planning 7.11 Evaluate the advantages and disadvantages of each estate planning strategy 7.12 Optimize strategies to make estate planning recommendations 7.13 Prioritize action steps to assist the client in implementing estate planning recommendations
8) Integrated Financial Planning	8.11 Prioritize recommendations from the financial planning areas to optimize the client's situation 8.12 Consolidate the recommendations and action steps into a financial plan (written or iterative in an interactive format) 8.13 Measure the progress toward achievement of the financial plan objectives 8.14 Determine the appropriate process and cycle of review for the financial plan

FPSB's INTEGRATED APPROACH TO COMPETENCY-BASED EDUCATION & DEVELOPMENT

Informed by FPSB's Fundamental Financial Planning Practices and the relevant Performance Standards, FPSB has developed a comprehensive competency profile that incorporates the necessary elements of cognitive, professional and social competence necessary for a financial planning professional to provide financial planning advice of high quality during financial planning engagements with clients, taking into account practice type, setting and location.

From this comprehensive competency profile FPSB has derived a curriculum content that, when incorporated in the context of an appropriate program of learning, teaching and professional development experiences, enables a person to come to:

- know, understand and apply the body of knowledge of the financial planning profession;
- demonstrate mastery of that knowledge and use it to solve complex financial planning problems in the context of engaged, professional client relationships;
- undertake these activities, including continuing professional development, in a self-directed, responsible and accountable manner;
- and to be acknowledged as a financial planning professional.

TERMS USED IN FINANCIAL PLANNER AREAS OF COMPETENCY

Asset Management Strategies and techniques to optimize returns on assets in consideration of the client's requirements and constraints.

Asset Allocation An approach to decide how to invest a pool of resources in a broad array of asset classes to determine an asset mix that will best meet a client's return objectives with acceptable and appropriate risk levels.

Budget A statement that estimates the financial resources and expenditures for a given period.

Cash Flow Statement A statement that summarizes the cash inflows and cash outflows for a given period.

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

Estate Planning Strategies and techniques for preservation and distribution of accumulated assets.

Financial Management Strategies and techniques, such as budgeting and cash flow management to optimize short- and mid-term cash flow, assets and liabilities.

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 The process of developing strategies to assist clients in managing their financial affairs to meet life goals.

Fundamental Financial Planning Practices The competencies that are pervasive across all Financial Planning Areas that relate to the integration and inter-relationships among the Financial Planner Competencies.

Needs An item or condition that is necessary.

Net Worth Statement A statement of assets and liabilities.

Objectives An outcome that is sought after or aimed for.

Personal Financial Statements Net Worth Statement, Cash Flow Statement and Budget, in aggregate.

Qualitative Information about client qualities, attitudes and preferences.

Quantitative Information about the client that is objective and measurable.

Retirement Planning Strategies and techniques for wealth accumulation and withdrawal during retirement years.

Risk Management Strategies and techniques to manage financial exposure due to personal risk. The terms risk, risk exposure and risk tolerance refer to the risk of financial loss due to personal circumstances.

Strategy (Strategies) A plan designed to achieve one or more specific objectives.

Tax Planning Strategies and techniques to maximize present value of after-tax family net worth.