



Finance

Pathway: Financial & Investment Planning

Code	Topic	Course	Knowledge and Skill	Performance Element	Measurement Criteria
FNPA01.01	Product Knowledge	#5: Fundamentals of Financial Management and Investment Planning	Examine characteristics to distinguish between stocks, bonds, and commodities.	Compare stocks, bonds, and commodities to determine advantages.	Define stock, bond, and commodity.
					Determine appropriate use of stocks, bonds, and commodities.
				Process stocks, bonds, and commodity investments to calculate rates of return.	Identify initial investment.
					Identify the current value of the investment.
					Identify the length of time the investment is held.
					Calculate the performance of the investment product.
				Process stocks, bonds, and commodity investments to assess the risks involved.	List the risks of owning stocks, bonds, and commodities.
	Determine the acceptable risk tolerance of owning stocks, bonds, and commodities.				
FNPA01.02	Product Knowledge	#5: Fundamentals of Financial Management and Investment Planning	Examine characteristics to distinguish between insurance and annuity products.	Compare insurance and annuities to determine advantages.	Define insurance and annuity.
					Determine appropriate use of insurance and annuities.
				Process information to explain insurable risk.	Identify risk hazards and perils.
					Describe the four risk management techniques.
				Compare term and whole life insurance to determine advantages.	List the characteristics of term and whole life insurance.
	Determine appropriate use of term and whole life insurance.				



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			(CONTINUED)	Describe the two basic types of annuities to meet client needs.	Define immediate annuity and deferred annuity. Determine appropriate use of immediate annuity and deferred annuity.
				Process annuity investment to calculate the return on investment.	Identify the amount of the initial annuity contribution. Identify the current value of the annuity contribution. Identify the length of time the annuity is held.
FNPA01.03	Product Knowledge	#5: Fundamentals of Financial Management and Investment Planning	Examine characteristics to distinguish between secured and unsecured credit.	Compare secured and unsecured credit to determine advantages. Compare secured vs. unsecured credit to arrive at cost factors and determine advantages.	Identify the sources of secured and unsecured credit. Determine appropriate use of secured and unsecured credit. Determine the annual percentage rate of interest. Determine the length of the repayment period. Determine the initial costs.
FNPA01.04	Product Knowledge	#5: Fundamentals of Financial Management and Investment Planning	Follow appropriate steps to develop an investment plan.	Prepare money management documents to meet needs of client. Review family needs to identify risk tolerance.	Develop an income and expense statement. Develop a balance sheet. Compare risk and reward. Define inflation, industry, market, and interest rate risks. Analyze time issues of families in various stages of life cycle.



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			(CONTINUED)	Process information to project rates of return.	Compare rates of return between stocks, bonds, savings instruments, and annuities. Analyze risks associated with stocks, bonds, savings instruments, and annuities.
				Select appropriate investment to provide desired rate of return.	Match individual life cycle stages with appropriate risks. Match individual life cycle stages with appropriate investment vehicles.
FNPA01.05	Product Knowledge	#5: Fundamentals of Financial Management and Investment Planning	Develop a financial plan to address client needs.	Review client's financial information to determine current financial situation.	Interpret a balance sheet. Analyze expenditure patterns. Interpret a tax return.
				Review appropriate information to set financial goals.	Define goals. List five typical financial goals for members in each life cycle stage. Design an implementation plan. Describe an evaluation process appropriate to financial planning.
				Review appropriate information to recommend a financial plan.	Describe alternative mediums/methods for presenting a financial plan. Develop two methods of soliciting feedback from clients.
				Review appropriate information to evaluate the success of a financial plan.	Calculate the rate of return on investments. Compare goals and outcomes of the plan. Review a plan for appropriate actions/implementation.



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FNPA01.06	Product Knowledge	#5: Fundamentals of Financial Management and Investment Planning	Use tax preparation procedures to determine tax liability.	Review previous tax returns to establish a client tax history.	Describe the five filing statuses.
					List sources of income.
					List sources of deductions taken.
				Review income, deductions, and credits to determine current financial position.	Determine if estimated taxes were paid.
					List types of income, deductions, and credits.
					Calculate the tax benefit of a deduction and credit.
				Reference the latest tax code to guide tax return preparation.	Calculate the cost of income sources.
					Identify the purpose of tax forms and schedules.
					Accurately complete the form.
				Accurately calculate the tax liability.	
FNPA02.01	Federal/State Regulations	#8: Regulatory Requirements for Financial and Investment Planning	Review most current state and federal regulations to apply the tax code professionally.	Check earnings and sources to establish gross income.	List types of income that are taxable.
					List types of income that are non-taxable.
				Examine all qualifying conditions to determine tax exclusions.	List seven tax exclusions.
					Calculate the cash benefit of an identified tax exclusion.
				Review life-style and family status to determine a tax deduction.	List seven basic types of itemized deductions.
					Calculate the cash benefit of an identified tax deduction.
				Examine state and federal laws to identify tax credits.	List five tax credits.
					Calculate the cash benefit of an identified tax credit.



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			(CONTINUED)	<p>Explain estimated tax payments to help client manage unanticipated income.</p> <p>Review the purpose of tax reporting forms to properly complete six basic schedules and forms.</p>	<p>Explain the rules requiring estimated tax payments.</p> <p>Determine types of clients who may need to use estimated tax payments.</p> <p>Differentiate between Forms 1040, 1040A and 1040EZ.</p> <p>Explain the use of Schedule A.</p> <p>Explain the use of Schedule B.</p> <p>Explain the use of Schedule D.</p>
FNPA02.02	Federal/State Regulations	#8: Regulatory Requirements for Financial and Investment Planning	Research the regulatory requirements of financial and investment planning and security sales to assure compliance with codes.	<p>Examine federal publications to identify the regulatory requirements of federal agencies.</p> <p>Review appropriate state and self-regulatory materials to identify regulatory requirements.</p>	<p>Explain the requirements of the Securities Exchange Commission.</p> <p>Explain the requirements of the CFTC.</p> <p>Explain the requirements for an identified state.</p> <p>Explain the requirements of the NASD.</p>
FNPA02.03	Federal/State Regulations	#8: Regulatory Requirements for Financial and Investment Planning	Plan appropriate education activities to achieve licensing and certification requirements.	Examine licensing requirements to complement career goals.	<p>Identify the purpose of licensing.</p> <p>Identify which groups govern licensing procedures.</p> <p>Identify the three most often used components of licensing.</p> <p>Identify examination requirements for particular investment products or advice.</p>



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			(CONTINUED)	Examine certification requirements to plan career goals.	Identify the purpose of certification. Identify which groups govern certification procedures. Identify the three most often used components of certification.
FNPA03.01	Customer Service	#9: Customer Service in Financial and Investment Planning	Use appropriate methods to communicate with clients.	Use people skills to greet and dismiss clients. Use appropriate responses to address client inquiries. Use appropriate methods to handle telephone and electronic communication.	Welcome the client. Direct the client. Treat the client in a courteous manner. Provide the client with accurate and necessary information. Reflect company policy in responses. Address client inquiries in a polite and courteous manner. Respond to the inquiries. Communicate in a professional and courteous manner. Record and forward information accurately.
FNPA03.02	Customer Service	#9: Customer Service in Financial and Investment Planning	Exercise appropriate techniques to interview clients.	Identify ways to gather information. Use telephone and in-person methods to interview clients. Ask well-planned questions to conduct an effective interview.	Describe an information intake form. Describe methods for verbally gathering information. Explain telephone interviewing. Describe in-person interviewing. Plan follow-up questions. Use open-ended questions. Use close-ended questions.



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FNPA03.03	Customer Service	#9: Customer Service in Financial and Investment Planning	Use people skills to conduct client conferences.	Develop an agenda to conduct a client conference.	Develop a basic agenda for the first client conference.
					Develop an agenda for a client conference to make recommendations.
					Develop an agenda for a client conference to discuss implementation plan.
				Use various presentation mediums to conduct a client conference.	Develop a basic agenda for an evaluative client conference.
					Use graphs and charts.
					Use verbal interaction when appropriate.
Prepare follows-up materials to present to clients.					
FNPA03.04	Customer Service	#9: Customer Service in Financial and Investment Planning	Review client financial information to develop a client's account statement.	Explain the purpose of a client's account statement to enhance client awareness.	Include all pertinent information on every client communication.
					Define at least three other uses for client account statements.
				Format client account statements to reflect current status.	Differentiate between types of data for client account statements.
					Explain the use of transaction information.
					Explain the purpose of financial status information.
					Verify that clients can read and interpret account statements.
FNPA03.05	Customer Service	#9: Customer Service in Financial and Investment Planning	Employ people skills to respond to client complaints.	Outline a process to address client complaints.	Listen to client complaints.
					Identify the underlying cause of complaints.
					Describe alternative methods of addressing client complaints.



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			(CONTINUED)	Experiment with methods to address client complaints.	Describe written responses to complaints. Describe verbal responses to complaints. Write a response to a client complaint. Write a script to respond to a client complaint.
				Develop follow-up procedures to demonstrate concern for client complaints.	Explain why follow-up is important. Determine methods of following-up on client complaints. Write a follow-up plan.
FNPA04.01	Financial Planning	#10: Financial Planning	Examine client's money management patterns to determine a client's financial situation.	Review a client's current financial situation to determine net worth.	Identify needed documents to calculate a client's net worth. Calculate a client's net worth.
				Review a client's income and expenditures to determine cash flow.	List documents needed to calculate a client's income and expenditures. Calculate a client's monthly or annual income. Calculate a client's monthly or annual expenditures.
				Review a client's financial information to determine tax liability.	Determine the tax liability for the previous year. Calculate estimated taxes for the current year.



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FNPA04.02	Financial Planning	#10: Financial Planning	Develop procedures to create a financial plan.	Guide the client through effective planning to establish financial goals.	Determine a client's life-cycle stage.
					List five financial goals for each life-cycle stage.
					Identify the insurable risks.
					Identify five financial goals.
					Identify the investment risks.
					Determine how the plan will be evaluated.
				Make financial recommendations to meet client needs.	Write a financial plan.
					Plan the presentation to client.
					Present the financial plan.
					Develop an action plan.
				Evaluate the financial plan to determine realization of goals.	Calculate the rate of return on investments.
					Compare goals to outcomes of the plan.
Make an action plan for implementing recommendations.					
FNPA04.03	Financial Planning	#10: Financial Planning	Describe procedures necessary to execute financial transactions.	Examine asset management to determine advantages.	Differentiate between a financial product and a financial service.
					Compare and contrast brokerage services and asset management services.
					Evaluate the advantages of offering asset management services.
					Describe the documentation necessary to execute financial transactions.
				Explain the importance of knowing the financial and investment needs of the client.	
				Identify necessary information on a new account form.	



Code	Topic	Course	Knowledge and Skill	Performance Element	Measurement Criteria
FNPA05.01	Operations	#11: Financial and Investment Planning Procedures	Use financial information to manage client records.	Use organizational skills to maintain accurate client records.	Describe laws and regulations relevant to client record management.
				Use invoicing and billing systems to organize records of company activities.	Describe a basic record management system.
					Identify software for client records.
					Explain the difference between invoicing and receiving payments.
					Differentiate between fee-for-service, commission, and hourly fee structures.
Identify software for invoice and billing systems.					
FNPA05.02	Operations	#11: Financial and Investment Planning Procedures	Develop procedures to adhere to compliance plan.	Describe the procedures to maintain a compliance plan.	Identify standardized rules for the financial planning industry.
					Describe the best practices to comply with industry rules.
FNPA05.03	Operations	#11: Financial and Investment Planning Procedures	Use data bases and other computer management tools to manage office records.	Maintain office records to insure accuracy and compliance with regulations.	Describe the laws and regulations associated with record management.
					Describe a basic record management system.
					Identify software to maintain a firm's record systems.
				Maintain time records to insure accuracy.	Describe the purpose of maintaining time records.
					Identify individuals who should keep time records.
Describe methods to keep time and billing records.					

Additional Recommended CTE/Degree

Major Courses:

#6: Advanced Accounting

#7: Principles of Accounting