

## **CIPM Association Advisory Council**

Charter Adopted 7 April 2009

The mission of the CIPM Association is to promote professional and ethical excellence in the practice of investment performance evaluation and presentation. The Articles of Association of the CIPM Association<sup>1</sup> provide for the establishment of such advisory committees as the Association deems appropriate to advise the staff of CFA Institute and the CFA Institute Board of Governors on issues and matters related to the operations of the Association.

### Purpose

1. The primary purpose of the CIPM Association Advisory Council (the Advisory Council) is to help the Association ensure that its policies and practices are consistent with its mission by offering independent, objective advice on behalf of members of the Association and candidates for the Certificate in Investment Performance Measurement (CIPM) designation.

### Duties

2. The duties of the Advisory Council are to:

- represent the interests of members and candidates;
- recommend membership, certification, and recertification policies;
- assist with curriculum development for the CIPM program (the “Program”) by recommending guideline topic area weights;
- assist with the Program’s examination process by recommending minimum passing scores;
- serve as a “sounding board” on other issues and matters pertaining to the Association and the Program as requested by CFA Institute staff; and
- assist in promoting the CIPM study and examination program.

### Membership

3. The Advisory Council will have five (5) to nine (9) members, including the Chair and, *ex officio*, the CFA Institute Director, Investment Performance Standards. All Advisory Council members will be members of the Association in good standing and a majority will be CIPM certificants in good standing. Advisory Council members will be appointed for two (2) year terms, renewable once for a maximum of four (4) consecutive years of service. The position of CFA Institute Director, Investment Performance Standards has voting rights and shall not be subject to term limits.

3.A. The Nominating Committee of the CIPM Association Advisory Council shall be constituted of the incumbent Chair and two incumbent Advisory Council members. The

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<sup>1</sup> Adopted by the CFA Institute Board of Governors 4 November 2005; name amended 21 May 2006.

Nominating Committee is responsible for identifying prospective members of the Advisory Council in consultation with CFA Institute staff. The Advisory Council will consider the qualifications of individuals recruited by the Nominating Committee and recommend new members for appointment. Each member of the Advisory Council shall be approved by the Operations Committee.

3.B. The Nominating Committee should strive for a fair representation of the diversity of CIPM Association members with regard to geographic region, type of employer, and job function. Other criteria to be considered when nominating individuals for the Advisory Council include demonstrated knowledge of and competency in the field of investment performance evaluation and presentation; independence, objectivity, and discipline; commitment to the mission of the CIPM Association and the integrity of the CIPM study and examination program; ability to work collegially with other Advisory Council members and CFA Institute staff; availability to participate in Advisory Council meetings and deliberations; and proven communication skills.

4. The Advisory Council will recommend a Chair and a Vice-Chair for appointment by the Operations Committee of the CIPM Association to one (1) year terms. Appointments are subject to approval by the Board of Governors of CFA Institute or their delegates.

5. Active and consistent participation by members in the work of the Advisory Council is critical to the CIPM Association's development of sound, considered, and representative policies and practices. Members are expected to participate in telephone conference calls and in-person meetings on a periodic basis.

#### Conflicts of Interest

6. Members of the Advisory Council must comply with CFA Institute rules pertaining to conflicts of interest, and will be informed of changes to such rules as they are duly authorized and issued from time to time.

7. Members of the Advisory Council are permitted to make their membership in the Advisory Council known to external parties. However, members are not permitted to use their relationship with the Advisory Council, CFA Institute, or the CIPM program to actively promote their own business interests, those of their employer, or those of a third party. This prohibition includes communicating to any external party any non-public information that may be obtained by serving as an Advisory Council member without the written permission of CFA Institute management.

#### Advisory Council Meetings

8. It is expected that the Advisory Council will meet in-person once or twice per year and at such other times as the Chair and CIPM program management shall agree to be appropriate. In addition to in-person meetings, the Advisory Council can also meet by telephone or video conference call, or by other electronic means ("meetings") to discuss

issues and initiatives and to provide input to the staff of CFA Institute and the CFA Institute Board of Governors.

9. At any meeting of the Advisory Council, a majority of all member seats must be present in person or by video or audio conference to constitute a quorum. Members are not allowed to vote by proxy.

10. With the exception of closed sessions, the Chair has the authority to invite external parties to present and participate in meetings in whole or in part. Individuals who wish to make a presentation to the Advisory Council should contact the designated CFA Institute liaison for permission.

11. Meetings convened to discuss exam-related matters will be held in closed session with participation limited to Advisory Council members, CIPM program staff, CFA Institute senior management, and other invited persons.

12. In the event both the Chair and the Vice-Chair cannot attend a meeting, another Advisory Council member will be designated to serve in their place.

13. Minutes will be taken of all meetings. Minutes of all meetings will normally be distributed to Advisory Council members prior to the next meeting and approved prior to or at that meeting.

14. CFA Institute will reimburse Advisory Council members for reasonable, documented airfare and other travel expenses, hotel accommodations, meals and such other expenses incurred in connection with attending any such meetings, in accordance with CFA Institute travel and reimbursement policies.

#### Representatives of CFA Institute, the CIPM Association, or the CIPM Program

15. Advisory Council members may be asked to participate in or make presentations at non-CFA Institute conferences and seminars to explain CIPM Association policies and practices or to promote the CIPM program. Participation as a “representative of” CFA Institute or the CIPM program, rather than as a private person, must be approved and coordinated by the professional staff of CFA Institute to ensure that the individual has the requisite knowledge and understanding of the relevant CFA Institute and CIPM program positions in order to present those positions effectively and appropriately. Participation as a “representative of” the CIPM Association must be approved by the Chair.