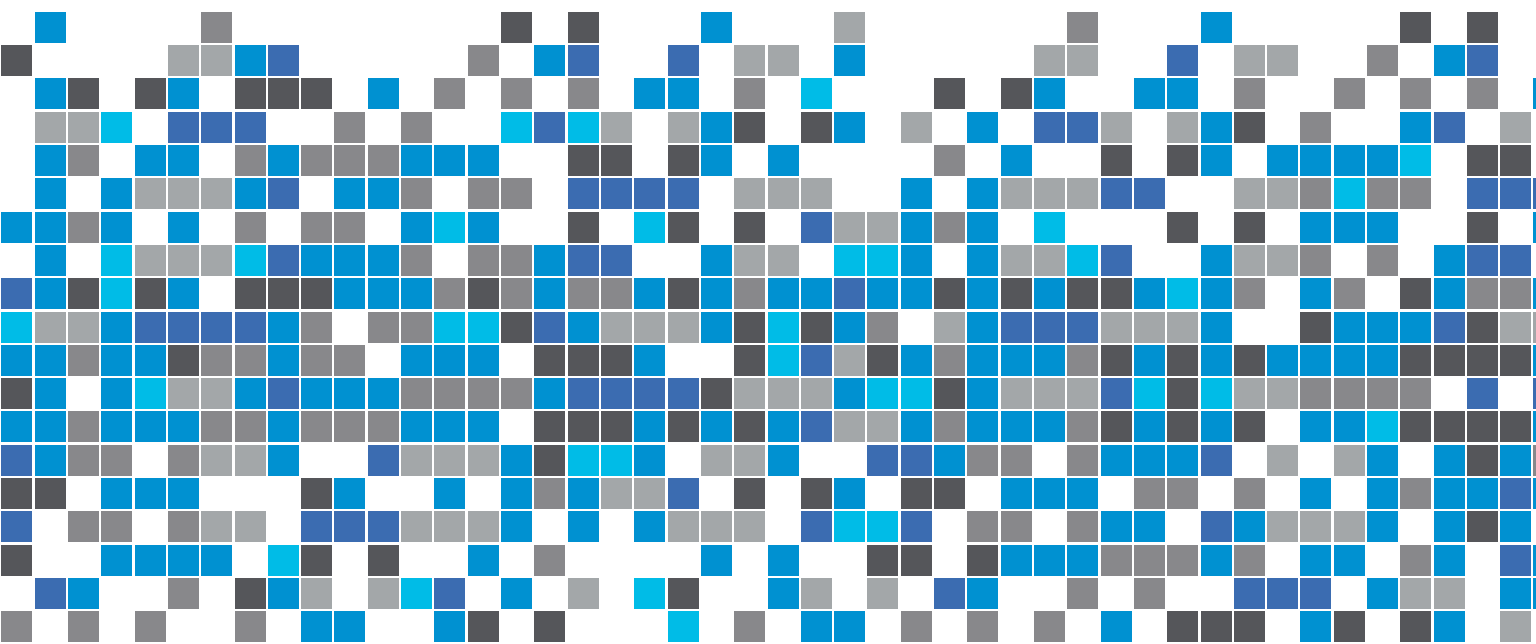




CFA Institute

# MANDATORY CONTINUING EDUCATION (CE) GUIDEBOOK

Guidebook for CIPM<sup>®</sup> Association Members



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# INTRODUCTION

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To succeed in a highly competitive and ever-changing investment industry, investment professionals must be committed to furthering their knowledge, skills, and abilities. Under the CIPM® Association [Code of Ethics](#), members must “maintain and improve their professional competence.” The CIPM Mandatory Continuing Education (MCE) program puts this ethical obligation into practice by requiring certificants to engage in ongoing professional development as a condition of retaining the right to use the CIPM designation.

To assist our members in their quest to acquire first-rate content for furthering their professional development, we pledge to provide a high-quality and comprehensive suite of educational products. As part of this commitment, we recognize our [member societies](#) as providers of quality programming at the local level and support them in their efforts.

We hope that this guidebook proves to be a useful resource. We welcome your feedback, so please don’t hesitate to contact us with your suggestions, questions, or concerns.

Continuing Professional Development Team  
**Dedicated mailbox:** [ceprogram@cfainstitute.org](mailto:ceprogram@cfainstitute.org)

# PROGRAM OVERVIEW

Participating in lifelong learning demonstrates a commitment to professional excellence and illustrates dedication to serving your clients and employer. An important part of the CIPM Association Code of Ethics is maintaining and improving professional competence. To this effect and as part of the MCE program, **CIPM designation holders must complete a total of 15 continuing education (CE) credits per calendar year.**

Please note: To align the MCE year with the membership renewal year, the 2019 MCE year runs from 1 January 2019 to 30 June 2020 (18 months). The 2020 MCE year begins 1 July 2020 and ends 30 June 2021.

To assist in the quest to find suitable content, the [Research & Analysis section](#) of our website provides a gateway to many of the products and services offered by CFA Institute. [Visit our library of educational products](#), and filter content by topic of interest.

All activities completed toward the MCE requirement must be tracked and retained for one calendar year after the end of the calendar year to which they pertain. You can use the online [Documentation Form](#) that we provide, or you can choose to track your activities in any manner as you see fit, as long as you include all the information we require on the documentation form.

# PROGRAM REQUIREMENTS

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In order to maintain and improve professional competence, CIPM designation holders must complete 15 hours of qualifying activities each calendar year following the calendar year in which the right to use the CIPM designation was awarded or renewed.

Note that you must begin to earn MCE during the calendar year following the year the certificate is awarded, not when the Level II exam is successfully completed (e.g., if you passed the Level II exam in 2017 but were not awarded the certificate until 2018 because of the work experience requirements, your first MCE cycle would begin 1 January 2019).

# CONTINUING EDUCATION CREDIT

The MCE program is designed in a way that gives members broad latitude in selecting activities that are individually relevant for their continuing education needs. Credit can be earned through a variety of self-study options (e.g., reading books and journal articles) or by participating in [CFA Institute](#), [member society](#), or third-party content. Essentially, members use the principles-based criteria, outlined next, to determine eligibility of a continuing education activity:

- The activity should be educational in nature;
- Should be geared toward increasing the knowledge, skills, and abilities of an investment professional; and
- Should either contribute substantively to the CIPM designation holder's development as an investment performance professional or relate to one or more topics derived from the CFA Institute Global Body of Investment Knowledge (GBIK®). Topical areas may be found on our [website](#).

## NONQUALIFIED ACTIVITIES

The following are examples of nonqualified activities:

- Reading publications intended for the layman or nonprofessional investor (e.g., the *Wall Street Journal*, the *Financial Times*, the *Economist*, and *Barron's*)
- Reading *CFA Digest* summaries (original source articles do qualify)
- Participating in software training sessions
- Participating in commercial product training sessions
- Attending conferences, seminars, forums, lectures, or other live events intended for the layman or nonprofessional investor
- Attending employer-sponsored events with a client-marketing focus in which educational content is directed at clients (i.e., layman's level of rigor)
- Teaching, lecturing, or presenting ("podium time" is ineligible, but time spent reading/preparing to present is eligible)
- Attending exam preparation classes (e.g., CFA Program or CIPM Program exam preparatory classes)

- Attending forecast luncheons or dinners where the presentation is simply a forecast or the event is purely social in nature
- Attending presentations that pertain only to a specific company or its products
- Reading “street research” primarily addressing a specific company

## ACTIVITIES THAT MAY REQUIRE SPECIAL CONSIDERATION

Some activities may qualify for MCE credit based on the circumstances surrounding the activity and the individual’s unique professional responsibilities. Judgment is required in applying the criteria used to determine whether an activity is eligible for credit.

Forecast luncheons and dinners, company presentations, street research, and similar activities should be assessed on an individual basis to determine whether the activity meets program standards and criteria outlined previously.

### **Example: Forecast dinners**

- Qualified activity: The presentation includes models and other educational content beyond the actual forecast (only the educational portion of the event is eligible for credit).
- Nonqualified activity: The presentation is only a forecast or is purely social in nature.

### **Example: Company presentations**

- Qualified activity: The presentation includes substantive information on an industry, not just a single company (i.e., a detailed explanation of industry trends and the implications for valuing companies within that industry).
- Nonqualified activity: The presentation is on a specific company or its products.

### **Example: Street research**

- Qualified activity: The report provides substantive educational material with broad application—for example, “Interpreting Economic Indicators,” “Understanding Tracking Error,” or “Valuing Structured Debt Securities.”
- Nonqualified activity: The report addresses a particular company—for example, “Teleflex Incorporated: Initiating Coverage with a Hold.”

**Example: Individually relevant activity**

- Qualified activity: A designation holder with responsibility for the integrity of performance measurement input data attends a conference on portfolio accounting.
- Nonqualified activity: A designation holder attends a conference on accounting for property, plant, and equipment.

## CALCULATING CREDIT

- One MCE credit hour is equal to one hour (60 minutes) of educational activity.
- Credit hours can be allocated in hour and quarter-hour increments; 0.25 is the minimum credit amount that can be assigned to any program or activity (rounded to the nearest quarter-hour).
- As a general rule, no single self-study activity may earn greater than 20 MCE credits (e.g., reading a single textbook should qualify for no more than 20 credits).
- Certain CFA Institute prequalified activities and activities with standard reference times may earn more than 20 credits. Educational programs offered by CFA Institute (including products, programs, and volunteer opportunities) have a predetermined number of eligible credits. When documenting MCE credit, designation holders should refer to the number of hours declared eligible by the program provider.
- For activities that are not prequalified or for which standard reference times are undefined (see the table in the next section for examples), designation holders should record the actual duration of the educational portion of the activity, up to the maximum of 20 credits.



# SAMPLE ACTIVITIES AND CREDIT CALCULATIONS

As a reference, here are some sample activities and credit calculations. Note that all activities completed must be applicable to an investment professional's or a designation holder's development as an investment performance professional.

Activity	Credit Earned
Live events (e.g., conferences, seminars, forums, lectures)	Duration of program minus breaks (networking breaks, lunch, etc.)
Internet-based courses, webinars, and podcasts	Actual educational time dedicated to the activity
Level I, II, or III of the CFA Program exams	40 credit hours for each exam level passed
Readings (e.g., journal articles, textbooks)	Use the recommended reading calculations* (CFA Institute publications include recommended credit hours)

\*For such educational activities as reading and reviewing content, credit earned can be calculated using one of the following methods:

- Clock time: Allocate actual time spent engaged in the educational activity.
- Generalist readings: Allocate two minutes per page.
- Specialized/highly technical readings: Allocate four minutes per page.

Note: No single self-study activity may earn greater than 20 credit hours (e.g., reading a single textbook should qualify for no more than 20 credits).

# EDUCATIONAL RESOURCES

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## RESEARCH & ANALYSIS

The [Research & Analysis section](#) of our website provides a gateway to many of the products and services offered by CFA Institute. [Visit our library of educational products](#), and filter content by topic of interest.

## PUBLICATIONS

As the flagship publication of CFA Institute, the *Financial Analysts Journal*® is the leading practitioner journal in the investment management community.

The *Financial Analysts Journal* is published quarterly in February, May, August, and November. Articles are freely available for a year from their publication date; however, archived articles as well as practitioner-oriented resources can be accessed by members and subscribers as continuing education resources. Archived articles going back to 1960 are also available via [JSTOR](#).

Members also have access to [the complete online publication archive](#) (*Financial Analysts Journal*; *CFA Digest*; Research Foundation publications; book reviews; and codes, standards, and position papers).

## WEBCASTS, PODCASTS, AND ONLINE LEARNING

Members receive access to all [CFA Institute multimedia products](#), including webcasts and podcasts from conference sessions sponsored by CFA Institute, society events, and more. Our [Take 15 interview series](#) with leading practitioners is also distributed through the CFA Institute mobile app ([iTunes](#)/[Android](#)).

## CAREER RESOURCES

We provide members with the tools to make the right career decisions through a growing [community of resources](#). Many of these resources qualify for CE credit, including the free career book, *Career Success: Navigating the New Work Environment*, created to assist investment professionals as they make intentional decisions to advance their careers.

# DOCUMENTATION

CIPM designation holders must document continuing education activities completed toward the 15 MCE credits that are required annually. These activities must be tracked and retained for one full calendar year *after* the end of the calendar year to which they pertain. We provide the [MCE Program Documentation Form](#) for ease of tracking, or you can use any method that you choose to track your activities, as long as you capture the following information:

- Details of the educational activity (include such details as title, author/presenter, event date, and event location)
- One of the following:
  - To which topic(s) in the GBIK does the activity pertain?
  - Briefly state how the activity contributed to your development as an investment performance professional.
- Activity completion date (DD MM YYYY format)
- Total credit allocated for this activity

*Note: Please do not send any completed documentation forms to CFA Institute unless you are notified of selection for compliance review.*

# ATTESTATION AND COMPLIANCE REVIEW

## ATTESTING

Completing the MCE program is a condition of retaining the right to use the CIPM designation. CIPM designation holders must complete the MCE program requirements by the end of each calendar year. In addition, they must attest to having completed the requirements during the membership renewal process following the calendar year for which credits were completed.

*Example:* An individual who was awarded the CIPM certificate in 2017 must complete the 15 mandatory CE requirements by 31 December 2018 and will attest to having done so during the 2019 membership renewal process.

## COMPLIANCE REVIEW

In order to validate the integrity of the MCE program, all designation holders may be subject to periodic compliance reviews of their continuing education activities. The review process includes the following steps:

- **Designation Holder's Obligation**

Upon notification of selection for a compliance review, the designation holder has 30 business days to supply documentation of MCE activities for the previous calendar year.

- **Review of Documentation**

The supplied documentation will be reviewed to ensure compliance with MCE program requirements. If necessary, the designation holder may be asked to supply additional documentation during the course of the compliance review.

- **Compliance Review Status**

Upon completion of the review, designation holders will receive one of the following statuses:

- **Successful completion:** All documentation is acceptable, and the compliance review is approved/concluded.

- Insufficient/disallowed credits: The designation holder is given 90 business days to substitute ineligible or missing credits. Any credits accrued during the 90 business days to satisfy the ineligible/missing credits cannot also be counted in the then-current calendar year.
- Professional conduct violation: Unsupported, misstated, or fraudulent reporting of credits is a violation of the CIPM Association Code of Ethics and Standards of Professional Conduct. Such reporting may be grounds for disciplinary action and will be handled by the CIPM Association Professional Conduct Program.

## PENALTIES FOR NONCOMPLIANCE

The right to use the CIPM designation is suspended as of the end of any reporting cycle in which a designation holder does not meet all conditions and requirements of the CIPM Association MCE program. Accordingly, CIPM designation holders who are not in compliance must cease using the CIPM designation as of the end of the reporting cycle.

*Example:* Individuals who were awarded the CIPM certificate in 2017 but do not meet all MCE conditions and requirements for the 2018 calendar year cannot use the CIPM designation after 31 December 2018.

## REINSTATEMENT

Once the right to use the CIPM designation has been suspended because of failure to meet the conditions and requirements of the MCE program, the individual must meet all outstanding requirements for the most recent calendar year in which credits should have been earned and submit acceptable documentation of the educational activities to the CE Program team. The individual may not resume using the CIPM designation until he or she is notified by the CE Program team in writing that his or her right to use the designation has been reinstated.