



CFA Institute

# THREE STEPS FOR SELECTING A CFA INSTITUTE PROGRAM EXAM PREP PROVIDER

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## STEP 1

Remember that the core of your study should be from the curriculum. In addition, the Council of Examiners uses only the CFA Institute program curriculum and the Learning Outcome Statements (LOS) developed for that curriculum when writing the exam questions. Although the programs are distance learning, self-study programs, we understand that candidates have different learning styles. Some candidates may find that prep courses and/or review notes help them with the learning process.

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## STEP 2

The Approved Prep Provider Program was launched as an effort to help improve candidate preparation for the exams and establishes a set of principles that are considered best practices for prep course providers. CFA Institute does not endorse, promote, or warrant the accuracy of the products or services offered by prep courses. We do not verify or endorse the pass rates or other claims these organizations make.

Prep providers provide **supplemental** study assistance. CFA Institute promotes the Approved Prep Provider Program participants as a group. It is up to you to decide whether or not you would like to use the services of a prep provider for supplemental study help and to select the prep provider that best meets your needs. To access complete information regarding current participants, you can visit the links below:

**CFA® PROGRAM** [http://www.cfainstitute.org/programs/cfaprogram/courseofstudy/Pages/cfa\\_exam\\_prep\\_providers.aspx](http://www.cfainstitute.org/programs/cfaprogram/courseofstudy/Pages/cfa_exam_prep_providers.aspx)

**CIPM® PROGRAM** [http://www.cfainstitute.org/programs/cipm/courseofstudy/Pages/cipm\\_exam\\_prep\\_providers.aspx](http://www.cfainstitute.org/programs/cipm/courseofstudy/Pages/cipm_exam_prep_providers.aspx)

**INVESTMENT FOUNDATIONS™ PROGRAM** <https://www.cfainstitute.org/programs/investmentfoundations/Pages/index.aspx>

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## STEP 3

You should find out as much information as possible before committing to any provider or review product. Here are some questions to ask:

### QUESTION THE QUALITY OF THE INSTRUCTORS

- **Do the instructors of the review courses specialize in the topic areas they are teaching?** Why pay for instruction in financial statement analysis from someone who specializes in fixed income? Make sure the instructors know the topic they teach.
- **Does the preparatory provider predict what specific topics are going to appear on the exam?** Any topic that is the subject of a learning outcome statement (LOS) is fair game for an exam question. Preparatory courses should help you prepare for the exam, not engage in speculation about what topics will appear on the exam. Your study should focus on mastering the curriculum and associated LOS; there are no "answers" to the LOS.

### QUESTION IF THE CONTENT IS CURRENT

- **Does the preparatory provider claim to use actual questions from previous exams?** CFA Institute has not released actual Level I multiple-choice questions since 1995 and does not release actual Level II and III item set questions. Similarly, CIPM and Investment Foundations exam questions are not released.
- **Are the study materials prepared by CFA charterholders, CIPM certificate holders, or otherwise qualified instructors?** Make sure your instructor is someone who has "been there, done that" or at least has significant experience in assisting the candidates for the exams. You should be aware, however, that the more time that has elapsed since a person's involvement in the program, the less direct knowledge that person has of the program. To ensure the program retains relevancy and is consistent with current professional practice, a global practice analysis is conducted on an ongoing basis for all three programs, and the final product of the practice analysis is a revised Candidate Body of Knowledge.
- **Is the preparatory course teaching the current curriculum?** This sounds obvious, but some providers' offerings are not up to date. Ask the preparatory provider which readings they base their materials on, and compare that with the curriculum you receive from CFA Institute.
- **Are the preparatory providers' practice exam offerings and other products consistent with the current program curriculum and exam question formats?** Many preparatory providers' test banks are based on old material that is no longer included in the curriculum or exams. Make sure that the question formats and structures are also consistent with those of the current curriculum. Approved Prep Provider Program participants agree to timely retirement of questions and material that are no longer consistent with the curriculum and exam format.

## QUESTION THE ACCURACY AND DELIVERY OF THE MATERIAL

- **When will the study materials be available?** Study materials that are not available until a few months before the exam will not offer much study time for the exam. (Note: The CFA Program curriculum for the June exams is available when exam registration opens in July of the previous year. CIPM curriculum is available on 1 October of the previous year. The Investment Foundations curriculum is updated on 1 February of each year. Investment Foundations candidates automatically are assigned curriculum on the basis of their registration date, not their exam date.)
- **How are candidates informed about study material errata?** Will the preparatory provider automatically send corrections to all users, or does the candidate have to seek out corrections?

## QUESTION THE PROVIDER'S CLAIMS

- **If the provider guarantees your success on the exam, how are guarantees handled for unsuccessful candidates?** Do they refund part of your money? Do they give you a discount on next year's products? If the product was not helpful for the exam you failed, will it help you for future exams?
- **If the preparatory provider posts a pass rate for its products, how is that pass rate calculated?** Approved Prep Provider Program participants agree not to publish their pass rates. Pass rates published by nonparticipating providers should be questioned: Do they survey each of the candidates who purchased their study materials? Do they conduct a sample survey? Do they only count as fails those candidates who ask for refunds and assume that all others passed?

## CONSIDER THE FOLLOWING

- CFA Institute does not partner with any preparatory provider and does not endorse, promote, or warrant the accuracy of the products or services offered by preparatory providers. This includes those products and services offered by CFA Institute societies and nonaffiliated organizations. CFA Institute developed the Approved Prep Provider Program for providers who develop their own preparatory products and/or services or who license approved prep materials but add value through their own instructors. Pure resellers are not accepted in the program.
- Providers participating in the Approved Prep Provider Program recognize the importance to candidates of understanding the curriculum and voluntarily adhere to guidelines and high standards of communication. Look for the CFA Institute Approved Prep Provider logo on supplemental preparatory products to identify participating providers. And remember that a candidate's best source of information on the CFA Program, CIPM Program, and Investment Foundations Program is always CFA Institute.

- Some preparatory providers recommend or even encourage candidates to study for the exam without using the curriculum. While preparatory products can be helpful supplements to the curriculum, they should never be used as a substitute for careful study of the prescribed curriculum.
- Approved Prep Provider Program participants agree to reinforce the value and importance of the curriculum in effectively preparing for the exam and to convey the role of their preparatory products as supplementary tools to complement the prescribed curriculum.
- Many preparatory providers employ former CFA and CIPM exam graders, question writers, and other individuals formerly affiliated with CFA Institute—but they are contractually bound not to advertise that affiliation. Approved Prep Provider Program participants agree that they will not use an instructor's past affiliation with CFA Institute—either as an exam grader, question writer, or an employee—when advertising their products. CFA Institute imposes this restriction to prevent any appearance of special influence or insight into the exams. You should carefully evaluate the experience and qualifications of all preparatory course instructors and authors.
- CFA Institute makes available pass rate analysis reporting to member societies and prep providers who participate in the Approved Prep Provider Program—but participating providers and societies are contractually bound not to advertise those pass/fail rates. If Approved Prep Provider Program participants provide a list of candidate numbers, CFA Institute provides statistical reports on how well the group of candidates performed in all topic areas. The statistics are for the group only—individual candidate information is not disclosed. Participating providers contractually agree to use this information for the sole purpose of improving their preparatory products and services and are not allowed to use these figures for advertising purposes.