

Understanding and Applying the *Statement on Standards in Personal Financial Planning Services*

Presented by:

Clark M. Blackman II, MA, CFA, CPA/PFS, CIMA, CFP, AIF

Dirk Edwards, CPA/PFS, JD, MBA

Andrea Millar, CPA/PFS

Sarah G. Bradley, CPA



Introduction

▶ About the PFP Section & CPA/PFS Credential

- The AICPA PFP Section provides information, resources, advocacy and guidance for CPAs who specialize in providing estate, tax, retirement, risk management and investment planning advice to individuals and their closely held entities (learn more at aicpa.org/PFP)
- The CPA/Personal Financial Specialist (CPA/PFS) credential distinguishes CPAs as subject-matter experts who have demonstrated their financial planning knowledge through experience, education and testing (learn more at aicpa.org/PFS)

Introduction



**Clark M. Blackman II, MA, CFA, CPA/PFS,
CIMA, CFP, AIF**

Alpha Wealth Strategies

Past chair, Responsibilities in PFP Services Task Force

Past chair and vice-chair, PFP Executive Committee

Chair, PFP Fiduciary Task Force

Member, PFP Leg/Reg Task Force

***Journal of Accountancy* Editorial Adviser**



Dirk Edwards, CPA/PFS, JD, MBA

Edwards Consulting, LLC

Chair, Responsibilities in PFP Services Task Force

Past chair and vice-chair, PFP Executive Committee

Past member, National Accreditation Commission (NAC)

What We'll Cover

- ▶ **Pathway to standards**
- ▶ **Objective of the *Statement on Standards in Personal Financial Planning Services* (SSPFPS or the statement)**
- ▶ **Overview of requirements**
- ▶ **Why you should care**
- ▶ **Applicability: covered persons and services**
- ▶ **Compliance toolkit**
- ▶ **More information & resources**

Pathway to Standards

1986

PFP Division created and PFP Executive Committee formed

1992-1996

PFP EC adopts Statements on Responsibilities in PFP Practice

2012

PFP EC granted standard-setting authority

Summer 2013

Comment period for exposure draft of proposed SSPFPS

December 2013/
January 2014*

PFP EC adopts and issues SSPFPS

July 1, 2014*

SSPFPS becomes effective

*Expected dates

Foundation of the Statement

▶ **Build on the AICPA's Code of Professional Conduct**

- Professional responsibilities
- Serving the public interest
- Integrity
- Objectivity and independence
- Due care

▶ **Overview of the requirements**

- General professional responsibilities and specific responsibilities for PFP engagements
- Planning the engagement
- Obtaining and analyzing information
- Developing and communicating recommendations
- Implementation, monitoring and updating engagements
- Working with and using the advice of other service providers

The Objective of the Statement is to...

- ▶ **Provide authoritative guidance**
- ▶ **Establish enforceable standards to assist members in fulfilling their professional responsibility.**



Why You Should Care

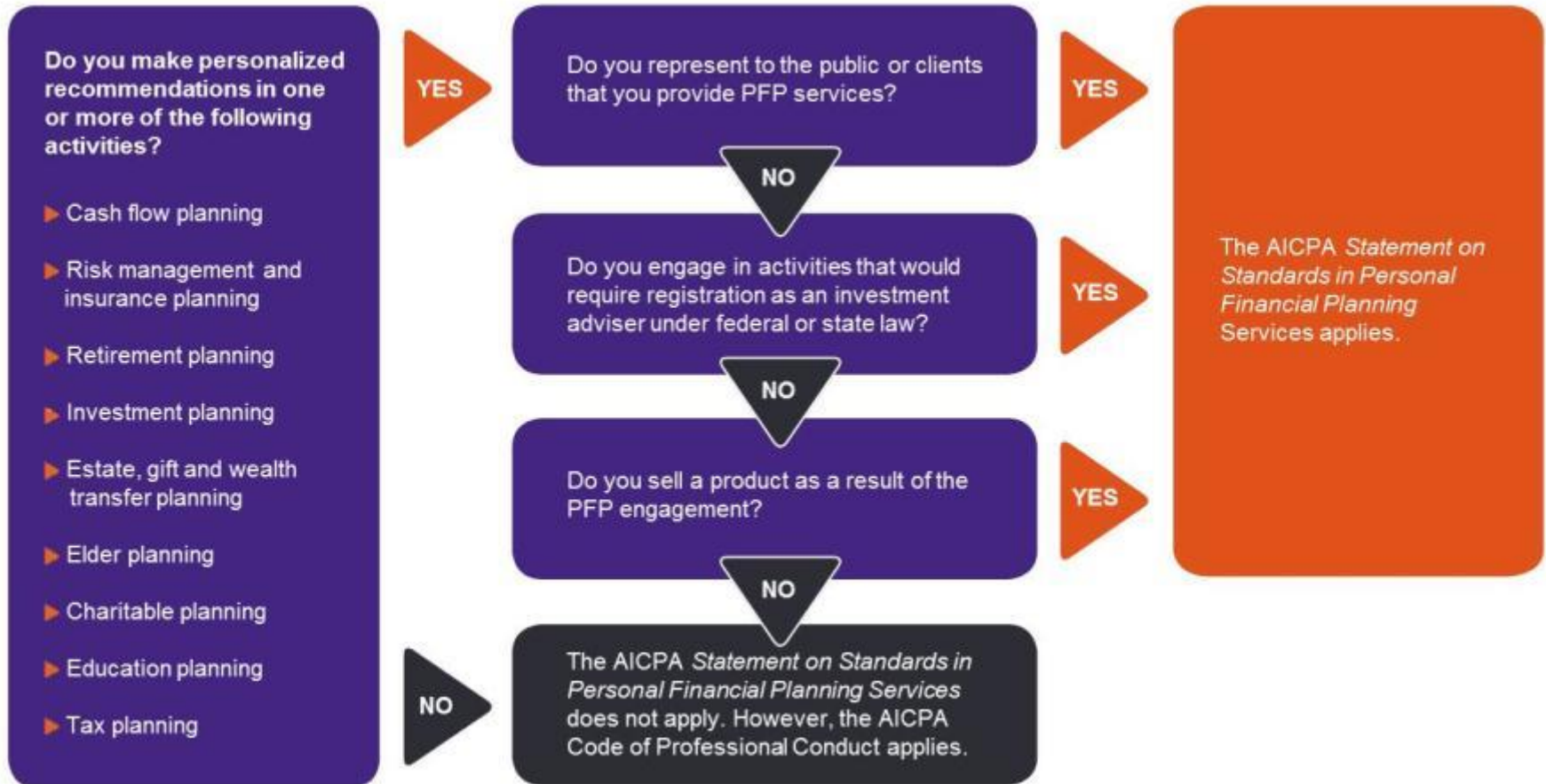
- ▶ Protect your clients' interests
- ▶ Access a framework for delivering PFP services
- ▶ Understand the parameters of your professional responsibilities in PFP
- ▶ Elevate your PFP practice



PFP Services

- ▶ **PFP is the process of identifying personal financial goals and resources, designing financial strategies, and *making personalized recommendations* (whether written or oral) that, when implemented, assist the client in achieving these goals. This process may include implementation of recommendations or monitoring or updating the engagement. PFP services encompass one or more of the following activities:**
 - Cash flow planning
 - Risk management/insurance planning
 - Retirement planning
 - Investment planning
 - Estate/gift/wealth transfer planning
 - Elder planning
 - Charitable planning
 - Education planning
 - Tax planning

When Does the AICPA *Statement on Standards in Personal Financial Planning Services* Apply to a Member?



Resources & Where to Find More Information

▶ **Standards in PFP Services: Compliance Toolkit***

- Checklists
- Engagement letter templates
- Whitepapers
- Frequently Asked Questions
- and more!

▶ **aicpa.org/sspfps**

▶ **Please direct inquiries to the PFP Division staff at financialplanning@aicpa.org.**

*Will be available by mid-January for free for PFP/PFS members; will be available for purchase to AICPA members and non-members.

Upcoming Webcasts & Conferences

▶ Save the dates for in-depth webcasts* on SSPFPS:

- *Understanding the Requirements of SSPFPS* (January 29, 1-2p.m. ET)
- *Practical Applications: Using the Compliance Toolkit* (February 5, 1-2p.m. ET)
- *Leveraging SSPFPS to Elevate Your Practice* (February 12, 1-2p.m. ET)
- Rebroadcasts will be available after April 15, 2014.
- Registration information will be posted at www.aicpa.org/pfp under CPE & Events when available.

▶ Upcoming conferences where SSPFPS is on the agenda

- [AICPA Advanced PFP Conference](#)** January 19-22 at the Aria, Las Vegas
- [AICPA Conference on Tax Strategies for the High-Income Individual](#)** May 19-20, 2014 at the Aria, Las Vegas
- [AICPA Practitioners Symposium and Tech+ Conference](#) June 9-11, 2014 at the Aria, Las Vegas
- [AICPA Advanced Estate Planning Conference](#)** July 21-23, 2014 at Swissotel, Chicago
- [AICPA Sophisticated Tax Planning for Your Wealthy Clients](#)** November 2014 (Date/Location TBD)
- Various CPA associations and state societies

*Archives for PFP/PFS members will be available at aicpa.org/pfp/webseminars.

**PFP/PFS and Tax Section members receive additional discounts on the early-bird and AICPA member price.