
CFP Board endorses recent federal action on senior designations

By Editor Test Thu, Apr 25, 2013

The Consumer Financial Protection Bureau recently issued a list of senior designations and policy recommendations, in part based on input from the CFP Board.

The Consumer Financial Protection Bureau has issued recommendations to prevent the misuse of senior designations, certifications and titles used by individuals working in the financial services industry. The Certified Financial Planner Board of Standards, Inc. has endorsed them. A copy of the CFPB report is available [here](#).

Among the Bureau's recommendations, CFP Board supports:

- Creating a centralized tool for consumers to research and verify senior designations, including whether the designation meets certain fundamental criteria to be considered a valid and credible designation;
- Tracking by the Securities and Exchange Commission of complaints related to senior designations, as well as requiring understandable disclosures by any individual claiming expertise specific to seniors;
- Requiring that those individuals holding senior designations and certifications meet and maintain minimum levels of professional standards, including education and accreditation, as well as a minimum standard of conduct; and
- Increasing the supervision and related enforcement of individuals holding certain designations and working with seniors.

In August 2012, CFP Board submitted a comment letter to the Bureau, along with the results of its Senior Financial Exploitation Study. A number of CFP Board's recommendations from that letter are reflected in whole or in part in the Bureau's report.

Recommendations included establishment of a rating system for professional certifications and designations, the execution of an educational campaign in connection with the rating system, and the use of objective criteria, modeled after CFP certification standards, when evaluating other financial services designations.

These standards include accreditation; substantial education and experience; a fair, valid and reliable exam; continuing education requirements; high ethical and professional standards; and a rigorous enforcement process that includes revocation of the certification where appropriate and a public disciplinary process.

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