

THE CPE REQUIREMENT

Background

Every credible program of professional certification has a mechanism to ensure that certified members remain current. In most cases, this is the Continuing Professional Education Unit (CPE). One fifty-minute block of learning in a subject directly related to the technical field certified yields one CPE unit. The CDFM program sets forth the CPE requirements for maintaining certification as follows:

“Once qualified as a Certified Defense Financial Manager, each candidate must complete 80 hours of Continuing Professional Education (CPE) every twenty-four months in order to maintain the certification. The anniversary date for certification renewal is two years from the date that the CDFM certification is issued.”

The CPE requirements stated under the CDFM Program apply to all CDFM certificate holders, whether employed full or part-time by a public or private organization, or self-employed. Eighty hours of CPE every twenty-four months is the standard across the area of financial management certification.

CPE requirements for the CDFM Program are not intended to add to the total requirement a certificate holder may have for another approved financial management certification. For example, if you are a Certified Public Accountant (CPA), the eighty hours of CPE you take for the CPA will also count fully for the CDFM. Likewise, if you are in the Acquisition Corps or maintain any of the financial management certifications listed at Appendix A, the CPE are considered to overlap. It is not ASMC’s intent to penalize or discourage holders of multiple financial management professional certifications by doubling or tripling the CPE an individual must earn.

Compliance

Operating under the umbrella of the ASMC “Pledge of Professionalism,” complying with the CPE requirements of the CDFM is the responsibility of the individual certificate holder. Carrying out this responsibility requires exercising sound professional judgment. Individual CDFMs are responsible for (1) seeking opportunities for appropriate CPE, (2) successfully completing CPE programs and activities, (3) maintaining documentation of the CPE hours completed and (4) monitoring their own progress toward meeting the CPE requirements.

The CPE requirements are based on the premise that all CDFMs should maintain and enhance their professional proficiency in Defense financial management. As stated in the ASMC Pledge of Professionalism, we should “...continuously strive to increase... professional knowledge and skills...” CDFMs will have wide latitude in selecting suitable CPE.

Record keeping

Individuals are responsible for documenting their own CPE. CPE units should be recorded and maintained in a log that is readily accessible to the certification holder. When the CDFM certificate is renewed, certificate holders will be asked to self-certify that they have completed the eighty hours. A three-month grace period to earn the eighty hours is allowed if the requirement has not been met and evidence of mitigating circumstances has been forwarded to the Associate Director for Certification at ASMC National Headquarters. The evidence of mitigating circumstances shall also include sufficient documentation to demonstrate the CPEs earned up to the onset of the mitigating circumstance and a plan for the completion of the 80-hour requirement. Following this grace period, the Certification Commission shall suspend the certificate of anyone failing to meet the CPE requirement.

Renewal

The CPE requirements stated under the CDFM program apply to all CDFM certificate holders. The Certification Commission has set forth 80 hours as the *minimum* number of hours of CPE that CDFMs, whether employed full-time or part-time by a public or private organization, or self-employed, must complete every two years to maintain their CDFM certification.

Retirement Exemption: A CDFM certificate holder who has retired from, and is no longer working in the Defense financial management community, need not meet the CDFM CPE requirement to renew his or her certificate. This CPE requirement exemption applies to the full two-year period in which the certificate holder retires. The retired CDFM will not be required to pay a renewal fee to maintain his or her certificate. Retired certificate holders need not request this exemption, but simply indicate their retirement status on the renewal application by entering the date of their retirement.

Exceptions: The Certification Commission may grant exceptions from the CPE requirements if a reason such as foreign residency, ill health, maternity leave or military service prevents a CDFM certificate holder from fulfilling the CPE requirement. The certificate holder should document the reasons for requesting an exception and submit it to the ASMC Associate Director for Certification for a determination by the Certification Commission. The Associate Director for Certification will notify the CDFM of the Commission's decision and retain that documentation for an appropriate period of time. The individual requesting an exception must demonstrate that an effort was made to satisfy the CPE requirement prior to the situation that makes the exception necessary. For example, if an exception situation arises in the 23rd month of the CDFM's two-year (24 month) renewal period, the individual must demonstrate that he or she had completed a sufficient number of CPE hours that would have allowed the 80-hour requirement to be completed within the allowed timeframe. However, if an exception situation arises in the first few months of the CDFM's two-year renewal period, the renewal period will be considered to begin at the time the exception situation comes to a conclusion. A CDFM is expected to obtain CPE hours throughout the two-year period and not "bunch" the hours in the final few months.

Determining Compliance with CPE Requirements

To maintain CDFM certification, the Program requires that certificate holders apply for certificate renewal and complete at least 80 hours of CPE in Defense financial management

topics or related technical subjects every two years. ASMC will audit ten percent of CDFM renewals, selected at random, to verify the CPE documentation. Those CDFMs selected for audit will be required to provide their CPE documentation package to the Associate Director for Certification. A review panel will be established and will be made up of not-less-than five volunteer CDFMs. An ASMC Headquarters staff member will facilitate the review panel. Feedback will be provided to the individual only if the review finds that the documentation is not sufficient to support the number of CPE hours claimed.

Establishing Renewal Date

A certificate holder will receive a renewal notice from the American Society of Military Comptrollers at the end of each renewal cycle. Each certificate holder will have an additional three-month period of grace in which to earn the required number of CPE hours and remit the certification renewal fee. However, the CPEs earned during this grace period cannot be counted toward the total required for the next renewal period. In addition to the grace period to earn the needed CPEs, an additional 30-day period is allowed for the certificate holder to complete and submit the documentation package. Furthermore, when this renewal grace period, and additional 30-day documentation preparation period, has elapsed, the CDFM certificate shall be suspended if the required CPEs are not documented.

CPE Carryover

Carrying over “extra CPE from one twenty-four month time period to the next is not permitted. The 80-hour requirement is the minimum number of hours of CPE that CDFMs should complete every two years. Extra CPE are not transferable to a subsequent period.

Deficiency Makeup

CDFMs who have not completed the required number of CPE hours for any two-year period will have the three months immediately following the two-year period to make up the deficiency. Any CPE hours completed toward a deficiency in one period should be documented in the CPE records and may not be counted toward the requirements for the next two-year period. The CDFM certificate shall be suspended if a certificate holder fails to meet the certification program's CPE requirements by the end of the additional three months grace period.

Monitoring Compliance

As part of a quality assurance program ASMC may, on a random audit basis, request CPE documentation for verification. Individuals should maintain records for a minimum of two years after recertification to substantiate their statement of completed CPE.

APPENDIX A
LIST OF APPROVED FINANCIAL MANAGEMENT
CERTIFICATIONS
FOR CPE COVERAGE

Certified Public Accountant

Certified Fraud Examiner

Certified Management Accountant

Certified Cost Estimator/Analyst

Certified Government Financial Manager

Certified Internal Auditor

DoD Acquisition Corps Certification

-- And others as appropriate. Please notify the CDFM staff to have your program verified and added to this listing.

APPENDIX B **CRITERIA FOR CPE CREDIT**

CRITERIA FOR CPE CREDIT FOR TECHNICAL SUBJECTS

The CDFM Program does not establish detailed criteria for CPE educational events. However, it does require that the CPE educational event contributes to the CDFM's professional proficiency and that CDFMs maintain documentation of the CPE completed. To determine if programs contribute to professional proficiency and to facilitate documentation, the following criteria for CPE educational events may be considered, as appropriate.

1. An agenda or outline is prepared in advance and retained by the program sponsor that indicates the name(s) of the instructor(s); the subject(s)/topic(s) covered; the date(s) and length of the program; and, when appropriate, the program's learning objectives and any prerequisites.
2. Individuals qualified or experienced in the topic/subject matter develop the program.
3. The program is presented by an instructor or discussion leader who is qualified or experienced with respect to the program content.
4. Program materials are technically accurate, current, and sufficient to meet the program's learning objectives.
5. The program is reviewed, when appropriate, by other qualified or experienced individuals. The nature and extent of any review may vary depending on characteristics of the program.
6. Participants are required to register for the program.
7. Attendance records are maintained by the sponsoring organization.
8. Evaluations of the program are obtained from instructors and participants, when appropriate.
9. The program sponsor provides evidence of satisfactory completion (a certificate or transcript).

PROGRAMS & ACTIVITIES THAT QUALIFY

Group programs such as:

1. Formal training programs (e.g., the Enhanced Defense Financial Management Training presented by an ASMC licensed training provider).
2. Internal training programs (briefings, lectures, courses, seminars and workshops).
3. Financial management organization staff/chapter meetings when a structured educational program is presented (that portion of the meeting where a structured educational program is used to brief staff on an accounting principle, auditing standard or budget function and

demonstrate its applicability to their work). Informal discussions of current events in the financial management profession do not qualify for CPE hours.

4. University and college courses (credit and non-credit).
5. Education and development programs presented at conferences, conventions, meetings, seminars and workshops of professional organizations. For example, the American Society of Military Comptrollers (ASMC) annual Professional Development Institute (PDI) and education programs presented by ASMC local chapters.
6. Training programs presented by other financial management organizations, educational organizations, foundations and associations.
7. Preparation and delivery of briefings and work-related documents outside the scope of routine business.

Individual study programs such as:

1. Correspondence courses, self-study guides and workbooks.
2. Courses given through audiocassette tapes, videotapes and computers (e.g., ASMC's Internet based courses).

Other professional activities:

Serving as a speaker, instructor, or discussion leader at group programs (ASMC PDI) that qualify for CPE hours. Publishing articles and books or developing CPE courses on topics and subjects that qualify for CPE hours and that contribute directly to the author's professional proficiency (e.g., writing an article published in *The Armed Forces Comptroller*).

Topics and Subjects That Qualify:

CPE programs include a wide variety of topics and subjects that may contribute to maintaining or enhancing the professional proficiency of some CDFMs, but not others. Therefore, the CDFM is ultimately responsible for determining whether a topic or subject qualifies as acceptable CPE for him or her.

CPE that would satisfy the CDFM program's requirement should be in Defense/government financial management topics or related technical subjects applicable to Defense/government financial management areas. Examples of such topics are at Appendix C of this document. Determining what topics and subjects are appropriate for individual CDFMs to satisfy the CPE requirement is a matter of professional judgment to be exercised by the CDFM. Among the considerations in exercising that judgment are the CDFM's experience, the Defense financial management area(s) in which they work and the responsibilities they assume in performing comptrollership and Defense financial management functions.

PROGRAMS & ACTIVITIES TOPICS & SUBJECTS THAT DO NOT QUALIFY FOR CPE

CREDIT:

- a. On-the-job training.
- b. Basic or elementary courses in topics and subjects in which the CDFM already has the necessary knowledge and skills and that served as the initial basis for qualification as a CDFM.
- c. Programs that are not designed to maintain or enhance CDFMs' professional proficiency, but are designed for the general public, such as resume writing, improving parent-child relations, personal investments and money management and retirement planning.
- d. Sales oriented programs that demonstrate office equipment.
- e. Programs restricted to the financial management organization's administrative operations, such as how to prepare time and attendance reports or internal administrative reporting responsibilities.
- f. Business sessions at professional organization conferences, conventions and meetings.
- g. Participation as a member of a committee of a professional organization.
- h. Preparation and presentation time for repeated presentations within the two-year period. The key here is that you get the credit for preparation only once for preparing to teach the same lesson multiple times.
- i. Conducting external quality control reviews.
- j. Auditing university or college courses.
- k. Teaching university or college courses full-time, i.e., if the CDFM is a full-time instructor, the routine performance of his or her professional duties will not suffice as the sole source of continuing professional education.

ADMINISTERING CPE REQUIREMENTS:

A CPE hour may be granted for each 50 minutes of participation in programs and activities that qualify. Fractional hours may also be granted if appropriate. At conferences and conventions where individual presentations are less than and/or more than 50 minutes, the sum of the presentations should be considered as one total program. For example, two 90-minute, two 50-minute and three 40-minute presentations equal 400 minutes or eight CPE hours.

Sponsors of CPE programs should monitor their programs to accurately assign the appropriate number of hours. CDFM participants should receive CPE hours only for the actual time they attend the program. Preparation time for students participating in a CPE program is not counted.

University & College Courses: Each semester hour credit equals 15 CPE hours and each quarter hour credit equals 10 CPE hours.

Instructing University & College Courses: Instructors for university or college credit courses shall receive CPE hours based on the number of credit hours the university/college gives a student for successfully completing the course (a three-semester hour credit course x 15 CPE hours per semester hour = 45 CPE hours). An instructor shall not receive CPE hours for teaching a course more than once within the two-year period, unless the course was changed significantly. The maximum number of CPE hours that may be granted to an individual as an instructor under this paragraph should not exceed 40 hours for any two-year period.

Individual Study Programs: CDFM participants in correspondence or individual study programs shall be granted CPE hours when they satisfactorily complete the program. If programs are pretested by the vendor or sponsor CPE hours should be granted in an amount equal to the average completion time. For example, a CDFM who takes 800 minutes to complete an individual study program that has been pretested as having a 400 minute average completion time may only be granted 8 CPE hours ($800 \text{ minutes} \times \frac{1}{2} = 400 \text{ minutes}$ divided by 50 minutes = 8 CPE hours).

Speaking or Instructing: Speakers, instructors (university/college noncredit courses) and discussion leaders at programs that qualify for CPE should receive CPE hours for preparation and presentation time to the extent the topic or subject matter contributes directly to their professional proficiency. One hour of CPE should be granted for each 50 minutes of presentation time, and up to two additional hours of CPE may be granted for advance preparation for each 50-minute segment of the presentation.

For example, a discussion leader could receive up to 21 hours of CPE for a presentation of 350 minutes (seven hours for presentation and 14 hours for preparation). An individual should not receive CPE hours for either preparation or presentation time for repeated presentations they make within the two-year period, unless the topic or subject matter involved was changed significantly. The maximum number of CPE hours that may be granted to an individual as a speaker, instructor, or discussion leader under this paragraph shall not exceed 40 hours for any two-year period.

Authorship: Articles, books, or CPE courses written by CDFMs on topics and subjects related to their expertise and/or work that contribute directly to professional proficiency shall qualify for CPE hours in the year they are published. One hour of CPE shall be granted for each hour devoted to writing articles, books, or course materials that are published. However, CPE hours for published writings shall not exceed 40 hours for any two-year period. .

Maintaining CPE Documentation: The CDFM is responsible for maintaining documentation of the CPE hours completed. He or she is encouraged to use a personal log in which to maintain the documentation. The CDFM's records should include the following information for each CPE program or activity attended or completed:

- a. The sponsoring organization (e.g., ASMC National Office or local chapter, or other organization),
- b. The location at which the program was given (e.g., Hotel California, Topeka, KS),
- c. The title of the program and a brief description of its contents (e.g., 5th Annual Professional Development Institute; current issues affecting Defense financial management operations),
- d. The dates attended for group programs or dates completed for individual study programs (e.g., November 13 and 14, 2002),
- e. The number of CPE hours earned (e.g., 16), and
- f. Evidence of attendance or completion. This might include the following:
 1. Record of the grade received for a university or college credit course.
 2. An outline and evidence of attendance or of having been the instructor or discussion leader from the program sponsor.
 3. Evidence of completion from the program sponsor (e.g., ASMC PDI CPE Certificate).
 4. A copy of the published book, article, or training course.

Record Retention: All CPE records should be maintained for a minimum of two years after CDFM recertification.

Suspension: A CDFM certificate may be suspended if within three months of renewal date the renewal fee has not been paid, or the certificate holder has indicated he or she has not earned the required CPE and has not furnished an adequate explanation.

Recourse Following Suspension of CDFM Certificate: If a CDFM is suspended, the certificate holder has 30 days in which to file an appeal with the Certification Commission. The Commission shall decide each case on its individual merits. If the Commission votes to revoke the certificate, then the certificate holder will be so notified. The decision of the Certification Commission will be final.

Reinstating a Revoked CDFM Certificate: Once a certificate has been revoked and a period of one year has elapsed, the former certificate holder may apply to retake the CDFM examinations. From that point, he or she will be treated as if he or she was applying for the CDFM Program for the first time.

APPENDIX C
TOPICS SUGGESTED FOR CDFM CPE CREDIT

- Accounting Principles & Standards
- Accounting Systems
- Analytical Procedures
- Assessment of Internal Controls
- Assessment of Management Controls
- Asset Management Systems
- Audit Methodologies
- Audit of Contract Compliance/Costs
- Audit Risk & Materiality
- Audit/Evaluation Standards
- Budgeting
- Business Law
- Business Process Reengineering
- Compliance with Laws & Regulations
- Comptrollership
- Computer Science
- Computer Security
- Contracting and Procurement
- Cost Analysis
- Data Analysis
- Economics
- Electronic Data Processing
- Evaluation Design
- Financial Auditing
- Financial Management/Systems
- Financial Planning or Analysis
- Fiscal Law
- Financial Reporting
- Forecasts and Projections
- Fraud Detection & Prevention
- Industrial Engineering
- Information Resources Management
- Information Technology
- Interviewing Techniques
- Operations Research
- Oral & Written Communications
- Pension Accounting
- Performance Measurement & Reporting
- Principles of Management & Supervision
- Productivity
- Program Planning & Evaluation
- Proposal Evaluation & Award
- Public Administration
- Public Finance
- Public Policy and Structure
- Quality Control
- Report Writing
- Statistical Methods
- Social Sciences
- Strategic Planning
- Taxation
- Working Capital Funds

APPENDIX D
CEU/CLU/CPE CONVERSION

CEU Defined

The International Association for Continuing Education and Training (IACET) defines a Continuing Education Unit (CEU) as “10 contact hours (60-minute hours) of participation in an organized continuing education experience under responsible sponsorship, capable direction and qualified instruction. Instructional hours do not include time involved in coffee breaks, meals, social activities or business and committee meetings. CEUs are not measures of academic credit.

CLU Defined

One CEU (see definition above) equals 10 Continuous Learning Units (CLU). Or, one CLU equals 60 contact minutes of instruction (not including time involved in breaks, meals, social activities or business and committee meetings).

CPE Defined

One CPE equals 50 “*contact*” minutes of instruction.

Conversion Examples

A. One CEU (or 10 *contact* hours of instruction) will convert to CPE using the following formula.

$$10 \text{ contact hrs} \times 60 \text{ minutes} = 600 \text{ contact minutes}$$

$$600 \text{ contact minutes} \div 50 \text{ contact minutes} = 12$$

Therefore, one CEU equals 12 CPEs.

B. One CLU (or 60 *contact* minutes of instruction) will convert to CPE using the following formula.

$$60 \text{ contact minutes} \div 50 \text{ contact minutes} = 1.2$$

Therefore, one CLU equals 1.2 CPE