

2017



# Continuing Professional Development (CPD)

A Handbook for FRMs and ERPs



# Our CPD program provides the resources you need to maintain your risk expertise and advance your professional development.

The importance of continuing professional development has increased dramatically in recent years as industry standards, regulations, and technological changes continue at an aggressive rate. In response, we created our CPD program to help our Certified Financial Risk Managers (FRMs®) and Energy Risk Professionals (ERPs®) keep pace with the ever-changing market. FRMs and ERPs are expected to actively participate in CPD throughout their careers in order to maintain the level of skill they demonstrated during the certification process.

Our CPD program delivers a broad range of accessible learning opportunities, and provides the tools you need to find, track, and document your activities. CPD credits may be earned by participating in structured, self-study, live, or online learning activities. This document will guide you through the process of choosing, submitting, and monitoring your CPD credits.

## CONTACTS

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Email [cpd@garp.com](mailto:cpd@garp.com) with questions or comments about the program.

## OVERVIEW & REQUIREMENTS

The CPD program is based on 2-year calendar cycles and participants are required to earn 40 credits each cycle. Credits are typically measured by one hour of learning activity equaling one credit. Credits may be earned by participating in a wide range of learning activities, and FRMs and ERPs are afforded broad latitude in selecting both activities and providers.

While the program is based on an honor system, you will need to submit requests for credit through your online tracking tool accessible through your GARP portal.



**For FRMs, participating in the CPD program is currently voluntary.** FRMs are strongly encouraged to participate in the program in order to best maintain the value and integrity of the FRM certification for themselves and the FRM community.



**For ERPs, participating in the CPD program is mandatory.** ERPs are required to participate in the program in order to use their ERP professional designation. If you are unable to participate for personal or professional reasons, contact **CPD@garp.com** at least 6 weeks prior to the end of your cycle.



**If you are both an ERP and an FRM, participating in CPD is mandatory.** You may earn credits simultaneously and CPD credits may be shared among your credentials.

## GETTING STARTED

After earning your certification, you will be automatically enrolled in the program, and will receive notification of your first open CPD cycle. Depending on your certification date, your cycle will open in the current calendar year or the following January.

- + If you are certified on or before June 30<sup>th</sup>, your first CPD cycle will start in the current year and you may begin submitting credits immediately.
- + If you are certified after June 30<sup>th</sup>, your cycle will begin the following January.

Note that all newly certified FRMs and ERPs will have a one-time opportunity to move their first cycle start date forward or backward. Email **CPD@garp.com** to request a cycle change.



## PROFESSIONAL DEVELOPMENT ACTIVITIES

In order to be eligible for credit, activities and programs must be educational and focused on risk-related topics at an advanced level.

### Typical activities:



**Read:** Articles, journals, books, whitepapers, research papers



**Attend:** Conferences, forums, seminars, chapter or society meetings or other live events



**Participate:** Training courses, employer training or programs, college or university courses (including MOOCs)



**Watch:** Webcasts, videos, or on-line training



**Listen:** Podcasts or educational audio programs



**Achieve:** Earn a passing score on risk relevant certifications or licensing exams



**Speak:** Speak at an event, on a webcast, or in a video



**Teach:** Instruct a risk-relevant course



**Publish:** Journal articles, whitepapers, research papers, or books



**Volunteer:** GARP committees and chapters, SMEs, or item writer drives

### As a general rule, activities submitted for credit should align with the following subject areas:

- ▶ Credit, Market, Operational Risk
- ▶ Energy Markets/Risk
- ▶ Enterprise Risk Management
- ▶ Ethics
- ▶ Financial Markets and Products
- ▶ Leadership Development
- ▶ Quantitative Analysis
- ▶ Regulatory and Compliance
- ▶ Sovereign Risk
- ▶ Other risk related (e.g., actuarial, audit, asset management)

Attending or participating in a program that demonstrates a product's functionality, or markets a product or service should not be submitted for credit. If there is an activity you would like to participate in that is not listed, we encourage you to submit a request to have the activity reviewed and approved in advance. For questions, email [CPD@garp.com](mailto:CPD@garp.com).

## CALCULATING & SUBMITTING CREDITS

Credits earned should be submitted for approval through your GARP portal. Credits earned at any time during the cycle calendar years will be considered for approval. Credits may not be carried over from one cycle to the next.

- + Credits should be calculated based on sessions lasting a minimum of 30 minutes. 30 minutes equals 0.5 credits. Credits should be submitted in 30-minute intervals (e.g., a webcast lasting 90 minutes should be entered as 1.5 credits). A session lasting more than 45 minutes may be rounded up to 1 hour or 1 credit.
- + The number of credits submitted should be calculated based on time spent actively engaged in educational content. Time spent networking, at meals, or on breaks should not be included.
- + Credits for reading articles, journals, books, research papers, and other materials should be calculated based on the depth of the content, page length, and relevance to risk management. Estimate 1.5 minutes per page of non-technical reading and 3 minutes per page of technical reading.
- + For college and university courses, credits should be calculated based on the institution's academic credit standards. Typically, college and university courses should be calculated based on 1 academic credit equaling 6 CPD credits. Coursework should be at an advanced or graduate level.
- + As a rule, exam preparation courses are not eligible for credit. FRMs and ERPs are required to earn a passing score on relevant energy and financial certification exams in order to earn CPD credits. Credits may also be earned for successfully passing licensing exams (e.g., FINRA series, ACCA).

## CREDIT APPROVALS

The credit tracking tool in the GARP portal is open to all FRMs and ERPs regardless of membership status. However, in order to have your credits reviewed, approved, and applied toward your cycle completion, you will need to keep your membership in good standing.

Credits you submit that fall within the guidelines provided are usually approved within 3-5 business days. If your credits are declined or if you receive fewer credits than submitted, it is most likely due to one of the following factors:

- + Credits submitted were in excess of or non-compliant with those recommended on the CPD Credit Guidelines (e.g., exam prep courses are not eligible for credits).
- + Credits were submitted for non-instructional time (e.g., networking, break times, exhibit hours).
- + Credits submitted were not at a level consistent with the knowledge and skill level of an FRM or ERP.
- + The program submitted was not successfully completed, e.g., enrollment in a certification program does not qualify for CPD, passing the exam(s) is required.

To appeal denied or partial credits, submit your request to [CPD@garp.com](mailto:CPD@garp.com).

## CPD ACTIVITY PARTNERS & OPPORTUNITIES

We are committed to providing a broad range of accessible CPD opportunities in order to accommodate demanding schedules and diverse learning styles. In addition to our own program offerings, we partner with a select group of providers to bring you a multitude of pre-approved programming; a listing can be found at [www.garp.org/CPD](http://www.garp.org/CPD).

## RECOGNITION OF CONTINUED ACHIEVEMENT

FRMs and ERPs actively participating in CPD can be acknowledged in the following ways:



### FRM|ERP DIRECTORY

Announces your certification in the official directory of FRMs and ERPs, including the date of your last completed cycle



### ACKNOWLEDGEMENT OF COMPLETION

Confirms your achievement in meeting the standards set forth in the CPD program and provides printable proof



### DIGITAL BADGE

Links to an online verification of your certification and validates your participation in CPD on professional and social networking pages



## CREDIT AUDITS

We conduct annual audits to review documentation for CPD credits. If you are selected for an audit of your CPD credits, you will receive notification and have adequate time to provide verification. If selected, you will need to provide evidence of attendance or participation in the activities submitted for credit. Verification may take the form of proof of registration, receipt of payment for a course or seminar, attendance confirmation from an association meeting, a copy of transcripts from a university offering, and the like.

Contact [CPD@garp.com](mailto:CPD@garp.com) with questions or comments.





## CPD CREDIT GUIDELINES

| DEVELOPMENT ACTIVITY                          | DESCRIPTION   | RECOMMENDED CREDITS   | MAXIMUM CREDITS PER CYCLE |
|---|---|---|---------------------------|
| <b>Articles, journals, and other readings</b> | Approved readings from GARP CPD communications  | 1 credit per reading unless otherwise published   | 20                        |
|   | Reading risk-relevant articles, books, journals, whitepapers, research papers, etc.   | Calculate 1.5 minutes per page for non-technical reading; 3 minutes per page for technical reading (30 minutes = 0.5 credits) | 20                        |
| <b>Conferences or other events</b>            | Attendance at conferences, seminars, roundtables or other live events focused on energy or financial risk-relevant topics; credit given for instructional time only | 0.5 credits per 30 minutes  | No max. limit             |
| <b>Employee-based programs</b>                | Program must be energy or financial risk-relevant; participants must provide training or business head contact information when submitting credits                  | 0.5 credits per 30 minutes  | 20                        |
| <b>GARP volunteer</b>                         | Subject matter experts, item writing participants, committee members and the like   | Credits based on contribution   | No max. limit             |
|   | GARP Regional Chapter Directors   | 4 credits per meeting   | 20                        |

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| DEVELOPMENT ACTIVITY                     | DESCRIPTION  | RECOMMENDED CREDITS  | MAXIMUM CREDITS PER CYCLE |
|--|--|--|---------------------------|
| <b>Passing relevant exams</b>            | Credit for passing a risk-relevant designation exam (e.g., CFA, CIA, CPA, CAIA, SOA, etc.)                                 | 20 credits per exam; passing score required; modular programs may vary | No max. limit             |
|  | Passing a level or series of financial-industry licensing exams (e.g., FINRA)  | 7 credits per exam   | No max. limit             |
|  | Passing the FRM Exam; counted as education for ERPs only   | Part I = 20 credits<br>Part II = 20 credits                            | 40                        |
|  | Passing the ERP Exam; counted as education for FRMs only   | Part I = 20 credits<br>Part II = 20 credits                            | 40                        |
| <b>Professional association meetings</b> | Participating in GARP or other risk-relevant professional association or society meetings                                  | 1 credit per meeting   | 20                        |
| <b>Publishing risk-related content</b>   | Publication of energy or financial risk-relevant articles or research papers; provide URL to paper for review and approval | 2.5 to 5 credits per page based on contribution                        | No max. limit             |
|  | Publication of energy or financial risk-relevant books; provide URL to book offering for review                            | 40 credits   | No max. limit             |
| <b>Speaking at an event</b>              | Featured speaker or panelist at an energy or financial-risk focused event (live or online)                                 | Speaker = 5 credits<br>Panelist = 3 credits                            | 20                        |

## CPD CREDIT GUIDELINES

| DEVELOPMENT ACTIVITY              | DESCRIPTION   | RECOMMENDED CREDITS  | MAXIMUM CREDITS PER CYCLE |
|-----------------------------------|---|--|---------------------------|
| <b>Teaching</b>                   | Teaching a risk-focused course; material covered should build over course time frame vs. requesting credit for same material covered multiple times   | 2 credits per classroom hour   | No max. limit             |
| <b>Training courses</b>           | Completing an energy or financial risk-relevant training course; credits approved are based on hours of instruction or those calculated by Approved Providers; exam prep courses are not eligible for credits | 0.5 credits per 30 minutes of in class or online time; no credits awarded for study/assignment completion time | No max. limit             |
| <b>University courses</b>         | Completing an accredited university/college course or program; energy or financial risk-relevant; graduate or executive business school preferred   | 6 CPD credits per 1 university credit; passing grade required  | No max. limit             |
|                                   | Completing an online university/college course (i.e., MOOC's); graduate or executive business school preferred  | 0.5 credits per 30 minutes of online class time; no credits awarded for study/assignment completion time       | No max. limit             |
| <b>Webcasts, podcasts, videos</b> | Viewing/listening to webcasts, podcasts or videos; content must focus on energy or financial risk-relevant topics   | 0.5 credits per 30 minutes   | 20                        |

## Creating a culture of risk awareness®

**About GARP** | The Global Association of Risk Professionals (GARP) is a not-for-profit global membership organization dedicated to preparing professionals and organizations to make better informed risk decisions. Membership represents over 150,000 risk management practitioners and researchers from banks, investment management firms, government agencies, academic institutions, and corporations from more than 190 countries and territories. GARP administers the Financial Risk Manager (FRM®) and the Energy Risk Professional (ERP®), certifications recognized by risk professionals worldwide. GARP also helps advance the role of risk management via comprehensive professional education and training for professionals of all levels.



Global Association  
of Risk Professionals

[garp.org](http://garp.org)

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