



The Certified Corporate Financial Planning & Analysis Professional (FP&A) examination consists of two parts, with three domains in each part. These test specifications apply to the **2019B-2024A** testing windows.

Test Specifications & Knowledge Domains

Content Areas (Knowledge, Skills and Abilities)

FP&A Exam Part I

Financial Acumen: Understanding and Managing Financial Information and Business Relationships

Knowledge Domain A

Concepts of Business and Finance: 52-58% of Exam Part I

- I.A.1** Knowledge of types of short and long-range plans/budgets/forecasts (zero-based budgets, annual budgets, rolling forecasts, etc.) and their application
- I.A.2** Ability to interpret corporate annual reports, including understanding the interactions/interrelationships between common financial statements
- I.A.3** Knowledge of general finance principles and financial concepts, including common financial formulas (time value; opportunity costs; debt structures and covenants; earnings per share; cost of capital; etc.)
- I.A.4** Knowledge of managerial accounting/reporting and cost accounting concepts (costs throughout the production process; fixed and variable costs; cost allocation; contribution margins; etc.)
- I.A.5** Knowledge of financial accounting concepts, principles, and practices
- I.A.6** Knowledge of general business terminology, practices, and processes (compensation structures, performance management, stock options, etc.)
- I.A.7** Knowledge of risk factors and risk management concepts (value at risk, hedging, insurance, interest rate risk, diversification, etc.)
- I.A.8** Knowledge of concepts of cash management (working capital, financing options, etc.)
- I.A.9** Knowledge of common financial investments/decision types (go/no go; buy/lease; mergers, acquisitions, and divestitures; etc.)
- I.A.10** Knowledge of frameworks to ensure quality business and strategic decisions (SWOT [strengths, weaknesses, opportunities, threats] analysis; Porter's five forces; growth-share matrix; root cause analysis; five whys; etc.)
- I.A.11** Knowledge of basic microeconomics concepts (marginal costs; pricing; price elasticity of supply and demand; etc.)
- I.A.12** Knowledge of basic macroeconomic concepts used in financial planning (consumer price index, gross domestic product, exchange rates, interest rates, inflation rates, economic indicators, etc.)



Test Specifications & Knowledge Domains *continued*

Content Areas (Knowledge, Skills and Abilities)

FP&A Exam Part I

Financial Acumen: Understanding and Managing Financial Information and Business Relationships

Knowledge Domain B

Systems and Technology: 17-23% of Exam Part I

- I.B.1** Ability to use basic and advanced spreadsheet functions (financial functions; pivot tables; value lookups; macros; integration with other common software; etc.)
- I.B.2** Knowledge of the attributes/limitations of systems (business intelligence, enterprise resource planning, general ledger, etc.) for storing and providing access to financial data, including routine data and large data sets
- I.B.3** Knowledge of the ETL [extraction, transformation, and loading] process in data warehousing
- I.B.4** Knowledge of basic data mining concepts and common algorithms (such as for data clustering)
- I.B.5** Knowledge of information control concerns (internal governance, regulatory issues, accountability, information security standards, etc.)
- I.B.6** Knowledge of FP&A system testing process and tools (testing scripts, test plans, etc.)

Knowledge Domain C

Business Partnering: 22-28% of Exam Part I

- I.C.1** Ability to create and maintain tools for information gathering (templates, surveys, etc.), including identifying and mitigating potential sources of bias
- I.C.2** Ability to determine information needs of, and gather information from, internal/external stakeholders and business partners (operations, sales, and marketing departments; senior management; etc.)
- I.C.3** Ability to identify, monitor, and report business metrics (including financial and nonfinancial key performance indicators)
- I.C.4** Ability to understand corporate structure/hierarchy and functions, including the roles and interrelationships between components of the financial structure (FP&A, accounting, investor relations, etc.)
- I.C.5** Ability to identify relevant stakeholders for partnering
- I.C.6** Skill in project management (establishing scope, mapping project/workflow elements, generating integrated timelines, managing interdependencies, monitoring progress, etc.)
- I.C.7** Knowledge of corporate guidance (organizational goals, strategies, etc.) and its impact on planning/projections
- I.C.8** Ability to determine when a situation requires intervention (stakeholder involvement, escalation, etc.)



Test Specifications & Knowledge Domains *continued*

Content Areas (Knowledge, Skills and Abilities)

FP&A Exam Part II

Financial Analysis and Business Support: Building, Interpreting, and Communicating Financial Projections

Knowledge Domain A

Analysis and Projections: *37-43% of Exam Part II*

- II.A.1 Ability to create financial statement projections (income statement, cash flow statement, balance sheet, etc.)
- II.A.2 Ability to create a capital expenditure/investment analysis (discounted cash flow analysis, return on investment projections, net present value projections, etc.)
- II.A.3 Ability to create sales volume/revenue projections
- II.A.4 Ability to create expense and head count (staffing) projections
- II.A.5 Ability to create specific customer/deal/product projections
- II.A.6 Ability to perform a financial ratio analysis (debt/equity, accounts receivable days, liquidity ratios, etc.)
- II.A.7 Ability to perform competitive analysis (internal or external benchmarking; peer group analysis; ratios; etc.)
- II.A.8 Ability to perform variance analysis and reporting (actual versus prior periods; actual versus plan; actual versus forecast; etc.)
- II.A.9 Ability to perform a sensitivity analysis
- II.A.10 Ability to perform a financial risk analysis
- II.A.11 Ability to create “what-if” scenarios

Knowledge Domain B

Models and Analytics: *42-48% of Exam Part II*

- II.B.1 Ability to conceptualize and scope an analysis (identifying tools and processes needed, conceiving efficient/effective model design, etc.)
- II.B.2 Ability to develop assumptions, draw conclusions, and assess the reasonableness of assumptions/conclusions
- II.B.3 Ability to determine and gather the information needed to complete a task (including knowledge of sources of pertinent and accurate information, both internal and external to the organization)
- II.B.4 Ability to identify the interrelationships between business drivers and account for their effects on financial statements
- II.B.5 Ability to develop and evaluate alternatives for business decisions
- II.B.6 Ability to understand common statistical concepts and perform common statistical calculations (standard deviation, expected value, correlation, regression, mean, mode, etc.)
- II.b.7 Ability to analyze trends in data sets (patterns, outliers, seasonality, shifts in a business or industry, etc.), including identifying trends, determining their causes/drivers, and accounting for their effects
- II.B.8 Ability to test and validate a model (cross-footing, consistency testing, reasonableness assessment, etc.)
- II.B.9 Ability to develop, document, and maintain models and templates (understand documentation concepts; document assumptions; create supporting information and protocols; document functionality and structure; use software/data version control concepts and techniques; etc.)
- II.B.10 Ability to interpret model results



Test Specifications & Knowledge Domains *continued*

Content Areas (Knowledge, Skills and Abilities)

FP&A Exam Part II

Financial Analysis and Business Support: Building, Interpreting, and Communicating Financial Projections

Knowledge Domain C

Business Communication: 12-18% of Exam Part II

- II.C.1** Knowledge of effective communication and presentation techniques for explaining complex financial issues and their underlying logic to various stakeholders (including determining appropriate tone, level of detail, and presentation techniques for various audiences)
- II.C.2** Knowledge of common data visualization techniques/charts and their appropriate uses/applications in communicating results of analysis (including data mining)
- II.C.3** Skill in interpersonal communication (interviewing, influencing, asking appropriate questions, building alliances, negotiating favorable outcomes, maintaining positive relationships, resolving communication issues, etc.)

For more information, visit www.FPACert.org

