

# Certification Division Professional Development Credit Policy for Recertification Maintenance

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## **Professional Development**

As explained elsewhere in the Certification Division Policy and Procedures Manual, one of the requirements that a Certified Construction Industry Financial Professional (CCIFP) must satisfy in order to be recertified is professional development.

Professional development (PD) enables CCIFPs to maintain their professional competence and perform quality work. All CCIFPs are responsible for complying with all applicable PD requirements, rules and regulations of the Certification Division.

## **Certification Division Compliance, Recertification and Eligibility Committee**

The Certification Division Compliance, Recertification and Eligibility Committee (CREC) is responsible for the development and maintenance of these PD credit definitions, requirements, policies, and processes.

The committee will review this policy annually or if a major industry shift occurs. After deliberation by the committee, any changes regarding PD requirements will be incorporated into a proposed revision to the Certification Division Policies and Procedures Manual and ratified by the Certification Board.

## **Professional Development (PD) Credit Requirements**

In addition to satisfying other requirements, every active CCIFP must complete and submit 72 PD credits triennially to be eligible for recertification. There are only two categories of eligible PD credit:

- 1) Construction-Specific PD credit
- 2) General-Topic PD credit.

The requirement of 72 PD credits may be earned solely in construction-specific PD credit; there is no requirement to earn a minimum number of general-topic PD credit. PD credit eligible toward recertification may be earned in the following ratio: a minimum of two-thirds (or 48 credits) of construction-specific PD credit; and up to one-third (or 24 credits) of general-topic PD credit. Certification Division has outlined “Qualifying Activities” and “Non-Qualifying Activities” for PD credit below.

As part of this policy, “Topics Eligible for Construction-Specific PD Credit” provides a pre-approved list of construction-specific topics which are eligible to be reported to meet the construction-specific PD credit requirement. This list is not exhaustive and other Construction Specific Courses may be considered.

Acceptable PD credit includes successful completion or auditing of any course which is eligible for CPE in accordance with the National Association of State Boards of Accountancy (NASBA) guidelines. Other credit types may also be acceptable toward the PD credit requirement (see “PD Credit Conversion Table” below).

CCIFPs or other interested parties may recommend additions or changes to any part of this policy for consideration by the CREC and should refer those changes to the staff liaison of the CREC.

## **Recertification Maintenance PD Credit Requirement Calculations**

The annual recertification period is April 1 through March 31. The triennial requirement of 72 PD credits must be earned between the dates of April 1 or initial certification date [year one] and March 31 [year three]. Unless subject to “Allowance for Carry-Over of PD Credits Earned” (see below) in the

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recertification maintenance period, only credits earned on or after the initial date of certification shall be accepted toward the recertification maintenance PD credit requirement.

For the initial certification period: PD credit shall be prorated in the first year of certification in accordance with the Credit Proration Schedule developed by CREC [see “Appendix D: Pro-Rated PD Credit Schedule”]. Thereafter, each CCIFP must complete 48 hours of PD credits in the remaining two years in accordance with current requirements. Only credits earned on or after the initial date of certification shall be accepted toward the recertification maintenance PD credit requirement.

For subsequent recertification maintenance periods: Each CCIFP must complete 72 PD credits in accordance with current requirements for each three year certification period.

## **Allowance for Carry-Over of PD Credits Earned**

If the CCIFP earns more than the required 72 credits in any certification period, a maximum allowance of 12 of the credits reported (over the required 72) shall carry-over into the following recertification period in the category in which it was earned (i.e. construction-specific or general-topic). Except for the maximum 12 credit allowance for carry-over noted above, only PD credit earned during the current recertification period shall be accepted toward the recertification maintenance PD credit requirement.

## **Qualifying Activities**

Acceptable PD credit for the construction-specific requirement includes:

- Successful completion or auditing of accredited college or university credit courses relevant to the practice of construction financial management.
- Successful completion of continuing education courses offered by a professional or trade organization, university or college, or offered in-house by an entity relevant to the practice of construction financial management.
- Successful completion of seminar, conference, convention or workshop, relevant to the practice of construction financial management.
- Successful completion of online courses relevant to the practice of construction financial management.
- Authoring published papers, articles, or books on a pre-approved topic from “Topics Eligible for Construction-Specific PD Credit” (a maximum of one paper, article or book publication may be used only once in any three year period, and only in the year that it was published, for a maximum of 12 PD credits toward recertification).
- Instruction of construction financial management relevant courses, seminars or workshops (a course title may be submitted only once in any three year period, for a maximum of 8 PD credits annually or 24 PD credits toward recertification in any three year period).
- Live web seminars relevant to the practice of construction financial management where the provider is able to verify and confirm attendance and participation.
- Full-time or adjunct faculty teaching a construction financial management course at a college or university in an accredited curriculum (a maximum of 12 PD credits may be claimed one-time only for teaching in any three year period).
- Being an officer, committee chair or committee member, at the local or national level, of any construction-related industry organization. A construction industry organization is defined as an organization that has a group with a construction related mission and goals. It is comprised of different people who are assigned tasks to make sure the organization runs in supporting

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construction activities. Construction related activities are defined as the activities, tools, products or services that are needed or required in order to put in place hard and soft costs during the construction process. (2 PD credits granted for service in a maximum of one organization annually, for a maximum of 6 PD credits toward recertification in any three year period).

- Participation in Item Writing or Item Review Sessions. Participation must be at least four consecutive hours (2 PD credits granted per session for a maximum of 6 PD credits toward recertification in any three year period).
- Participation in an Exam Development special project (standard setting, JTA, form equating etc) that requires a minimum of four hours of participation (2 PD credits granted per session for a maximum of 4 PD credits toward recertification in any three year period).
- Facilitation of a CCIFP Study Group for a minimum of two hours. (1 PD credit granted per two hour session for a maximum of 4 PD credits toward recertification in any three year period).
- Service of at least one full year as a CCIFP Chapter Champion. (2 PD credits granted for service in annually, for a maximum of 6 PD credits toward recertification in any three year period).

Topics and activities not relevant to the construction financial management profession (relevancy is defined in “Topics Eligible for Construction-Specific PD Credit”) are unacceptable for satisfying the construction-specific PD credit requirement, but are acceptable for fulfilling the general-topic PD requirement provided that said topics or activities are not those listed in “Non-Qualifying Activities.”

## Non-Qualifying Activities

Unacceptable PD credit for all categories includes:

- Elementary and entry-level training normally expected to have been completed by construction financial professionals prior to CCIFP application.
- Regular full-time employment.
- Any level of computer courses in spreadsheet, word processing, presentation, or web design software (MS Office, Excel, Word, Power Point, Dream Weaver, etc.).
- Self-directed study.
- Attending general committee or business meetings as required by your employment.
- A published book, article, or paper prior to the applicable reporting period.
- Any formal professional examinations, including the CCIFP examination.

## PD Credit Conversion Table

<b>Credit Type or Other PD Activity*</b>	<b>Other Description</b> <i>(See “Qualifying Activities” above for additional eligibility information)</i>	<b>PD Credit Equivalent</b>	<b>Maximum Claim</b> <i>(in any 3 year period)</i>
1 CPE	By NASBA-licensed providers (50 min hour)	1	none
1 CLU, CE, CEU	Other continuing education units	1	none
1 semester credit	accredited university or college	15	15
1 paper/article/book authored	Published in the year for which credit is being claimed	12	12
1 contact hour of instruction	Class, seminar, course or workshop (one course title per 3 year certification period)	2	24

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1 year service as officer, committee chair, or committee member of construction organization	service as an officer, committee chair, or committee member of any construction industry organization	2	6
1 year as a CCIFP Chapter Champion	Service as a documented CCIFP Chapter Champion with your CFMA Chapter	2	6
2 consecutive hours of facilitating CCIFP Study Group	Leading or facilitating a virtual or in-person study Group as a SME	1	4
Item Writing or Item Review	4 hour consecutive participation	2	6
Exam Development special project	4 hour consecutive participation	2	4
<i>*These credit types and other PD activities are subject to the restrictions set forth in "Qualifying Activities."</i>			

As questions arise related to implementation and application, they will be presented to the CREC Committee. After deliberation by the committee, any changes regarding PD requirements will be incorporated into a proposed revision to the Certification Division Policies and Procedures Manual.

## Recordkeeping

Each CCIFP shall be responsible for maintaining records to support any claim of professional development credits. Records for PD credits submitted for recertification must be maintained by the CCIFP for a minimum period of one (1) year after the end of the 3 year period for which such PD credits have been submitted. Such documentation shall be made available to Certification Division upon demand, within thirty (30) days, for verification purposes. Documentation must support the professional development hours claimed.

Records required include, but are not limited to:

- A log (which may be kept in MS Excel or other program) showing the type of activity claimed, sponsoring organization, date, location, duration, instructor(s) name, and credit earned.
- Documents supporting evidence of attendance: completion certificates, attendance log, or other documents supporting evidence of completion.

CCIFPs may log in to their user account on the CERTIFICATION DIVISION web site at any time to see the courses which they have submitted for any recertification maintenance period.

## Exemptions/Waivers

An exemption from the PD credit requirement may be granted if a CCIFP is on active duty in the U.S. military. A request must be made by submitting the "Professional Development Waiver Request Form" to the Compliance Recertification & Eligibility Committee (CREC) and must include official documentation of active military duty. Incomplete forms will not be considered by the CREC.

In limited cases, the CREC may grant an exemption from the PD credit requirement because of a medical condition or other reason. You must contact the Certification Division for a "Professional Development

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Waiver Request Form.” The request must be submitted with a written explanation of the reason for request to the CREC for consideration. Professional development credit waivers shall be evaluated and outcomes determined on a case-by-case basis within Certification Division policy guidelines, precedent, and fair, unbiased judgment.

(See the “Professional Development Waiver Request Form” for additional details and eligibility requirements for consideration.)

## **Verification**

Certification Division will conduct annual verification of PD credits submitted as part of the “Recertification Maintenance Application” data in accordance with the “Review of Recertification Maintenance Application and Professional Development Credits Affidavits” policy and report all compliance short-comings to the Compliance, Recertification & Eligibility Committee for disposition.

## **Topics Eligible for Construction-Specific PD Credit**

The following is a suggested list of construction-specific topics which are eligible to be reported to meet the construction-specific PD credit requirement. Courses covering topics not on this list shall not be considered eligible toward the construction-specific PD credit requirement.

### **1. ACCOUNTING AND REPORTING**

- a. Accounting Standards and Guidelines
  - i. FASB updates related to construction
  - ii. Construction accounting principles
  - iii. Accounting Codification
- b. Basic Methods of Accounting
  - i. Percentage of completion
  - ii. Completed contract
  - iii. Accrual accounting
  - iv. Cash accounting
- c. Receivables
  - i. Collection procedures
  - ii. Cash flow
  - iii. Receivable reporting on financial statements
  - iv. Applicable disclosures
  - v. Accruals for doubtful receivables
- d. Costs in Excess and Billings in Excess
  - i. Calculation of costs in excess/billings in excess
  - ii. Overbillings/underbillings
  - iii. WIP Schedule
  - iv. Accounting for contracts-in-progress using CCM
  - v. Nature of assets & liabilities
  - vi. Disclosures

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- vii. Balance sheet classification
- e. Construction Equipment
  - i. Equipment cost allocation to contracts
  - ii. Depreciation
  - iii. Acquisition cost
  - iv. Balance sheet or footnote disclosure
- f. Subcontractor Payables
  - i. Cash flow
  - ii. Lien management
  - iii. Financial statement disclosure and reporting
- g. Capitalized Interest
  - i. Project allocation of capitalized interest
- h. Loss Provision
  - i. Recognition
  - ii. Disclosure
- i. Financial Statements
  - i. Opinion letter: audit, review, compilation
  - ii. Balance sheet classification – operating cycle (classified vs. unclassified)
  - iii. Income statement – profit center
  - iv. Contract revenue
    - 1. Management contracts
    - 2. Owner-furnished material
    - 3. Incentive & penalty provisions
  - v. Cash flow statements
    - 1. Direct vs. Indirect Method
    - 2. Operating, Investing and Financing
  - vi. Assets/Liability management
  - vii. Notes to financial statements
    - 1. Basic method of accounting
    - 2. Employee benefit plans
    - 3. Contingencies
    - 4. Disclosure of backlog
    - 5. Business and credit concentration
    - 6. Employers' accounting for post-retirement benefits
  - viii. Supplemental statements
  - ix. Auditing procedures
- j. Project Management
  - i. Integrating project management processes with accounting
  - ii. Communication operations and accounting
  - iii. Accounting for change orders

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- iv. Incentive & penalties
- v. Back charges
- vi. Claims
- k. Joint Ventures
  - i. JV agreements
  - ii. JVs vs. Partnerships vs. Corporations
  - iii. Accounting for JVs

## 2. **REVENUE RECOGNITION METHODS**

- a. Financial Reporting
  - i. WIP schedule
  - ii. Costs in excess/billings in excess
- b. Percentage of Completion Accounting Method
  - i. Cost-to-Cost method
  - ii. Efforts method
  - iii. Output method
  - iv. Measurement of completion
  - v. Requirements for use
  - vi. Special Income recognition considerations
  - vii. Contract types
- c. Contract Revenues, Change Orders and Claims
  - i. Completed contract
  - ii. Percentage of completion
- d. Contract Costs
  - i. Direct costs
  - ii. Indirect costs
- e. Accounting for the Effects of Change in Estimates
  - i. Recognizing losses in contracts
- f. Completed-contract Accounting Method
  - i. Proper use of CCM
- g. Independent Construction Audit
  - i. Fraud detection
  - ii. Internal detection

## 3. **BUDGETING AND PLANNING**

- a. Strategic Planning
  - i. As relative to construction companies
  - ii. SWOT
- b. Strategic Cost Management
  - i. Analyzing construction

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- ii. Enterprise management
    - iii. Activity Based Costing (ABC)
  - c. Capital Budgeting
    - i. Acquisition of Assets – costs
    - ii. Determination of ROI
  - d. Cash Management
    - i. Cash flow reporting
    - ii. Collections
    - iii. Disbursements
    - iv. Contract negotiations
    - v. Banking relationships
  - e. Benchmarking
  - f. Succession Planning
- 4. **RISK MANAGEMENT**
  - a. Risk Management Techniques
  - b. Sections of an Insurance Contract
  - c. Risk Management Responsibilities
    - i. CG&L Insurance
    - ii. Professional liability coverage
    - iii. Pollution and other specialty coverages
    - iv. Workers compensation
    - v. Safety program
  - d. Construction Related Insurance
  - e. Risk Financing
  - f. Surety
    - i. Bonding requirements
    - ii. Types of bonds
    - iii. Underwriting factors
- 5. **TAXES**
  - a. Accounting methods unique to the construction industry
  - b. Tax filing
    - i. Income taxes
    - ii. Sales taxes
    - iii. Depreciation
    - iv. Look back
    - v. Change in accounting method
    - vi. Construction elections
    - vii. Corporate AMT
    - viii. Exemptions



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## 6. **HUMAN RESOURCES**

- a. Federal Laws and Regulations
  - i. Labor and ERIS Laws
- b. Compensation
  - i. Compensation plans
- c. Employee benefit plans
  - i. Medical plans
  - ii. Cafeteria plans
  - iii. 401(k) /pension plans
- d. Accounting/finance department administration
  - i. Hiring practices
  - ii. Internal controls
  - iii. Fraud prevention

## 7. **LEGAL**

- a. Preparation and review of contracts
- b. Subcontracts
- c. Applicable Construction Laws
- d. Warranties
- e. Types of Claims
- f. Eichleay Formula
- g. Alternatives to Litigation
  - i. Mediation
  - ii. Arbitration
  - iii. Mini-trial
  - iv. Negotiation
  - v. Dispute Review Board

## 8. **INFORMATION TECHNOLOGY**

- a. Construction Management Platforms
  - i. Accounting programs
  - ii. Project management
  - iii. Estimating
  - iv. Program integration
  - v. Networks
  - vi. Internet
- b. Evaluation, implementation, selection and integration methods
- c. Cybersecurity