



**CERTIFIED RETIREMENT
FINANCIAL ADVISOR™**



2011 ANNUAL REPORT



Greetings

From the

Executive Director

2011 has been a year of great adventure. The CRFA Board of Certification was extremely busy, working with our testing contractor, Schroeder Measurement Services Inc., (SMT) through the certification program test development cycle. The tasks we accomplished included updating our test content through the completion of the Job Analysis (thanks to all of you who participated), publishing the new examination content outline, and updating our candidate information handbook and application, writing test questions, reviewing and approving the updated CRFA multiple-choice examination, and establishing a passing (cut score) for our test. In January SMT helped us launch our new examination, which is delivered via computer at more than 200 test sites across North America. I was charged with recruiting CRFA Candidates to join the process, as test taking volume is proof positive that the CRFA program is strong and growing.

The SCRFA Board of Directors set a goal of recruiting 30 candidates. In 2011, 33 retirement financial advisors met the CRFA eligibility requirements and registered to take the exam! The SCRFA Retirement Academy Board (our education branch which works independently of the CRFA Certification Board) supported these efforts by updating the Society training materials which many advisors use as references, and CRFA candidates chose to take advantage of as they prepared for the examinations. The Society Retirement Academy also offered free webinars to anyone who wanted a live interaction review of our material. Everyone was welcome to attend the webinars even if they did not purchase the material. The published Job Analysis results were used to identify domains and areas that were noted as important to retirement focused advisors by our survey responders. By the end of 2011, 18 examinations were administered to CRFA candidates. By April of 2012 our candidate volume has increased to 42. Of the 33 exams administered, we received 12 new members (individuals who received a scaled passing score of 70) and 16 current members sat for the exam to earn their 15 hours of CRFA CE toward their annual recertification. Congratulations to our new CRFAs.

Kate Windom, our SMT program director, provided guidance as we moved forward updating our Mission Statement, governance documents, and delineation of the role of SCRFA, and the Retirement Academy Board and CRFA Certification Board responsibilities.

With our focus on updating our CRFA program to meet international Testing Standards, in support of our goal to present the CRFA program for third-party accreditation, the Society budget for 2011 was based on the cost of the CRFA examination support and the cost of accreditation. The Society also paid monthly rent, phone bills and other expenses as necessary. The greatest disbursement of funds was to our vendor SMT in the amount of \$11,906, which included the guidance provided by Kate Windom, who is assisting us with the accreditation process. We paid SMT an additional \$966 which covered the per candidate test administration, scoring and reporting fee. 2011 was a year of moving forward, as we move ever closer to our goal of submitting an application for CRFA accreditation in 2012.

Lynda McColl, CPA, CRFA

SCRFA Executive Director





FROM THE PRESIDENT OF THE SCRFA BOARD OF DIRECTORS

The CRFA Certification Board and the SCRFA BoD officers and staff have been busy working to support our members and our accreditation application process with NCCA (National Commission for Certifying Agencies).

The accreditation process has consumed our time and has been the focus of our efforts. Lynda McColl, your Executive Director, has been working diligently with our SMT Consultant, quarterbacking this year's long effort. It is our goal to have a completed application submitted by the end of April 2012, with the help of our CRFA Coordinator Linda Lee.

We have also updated our by-laws, our candidate handbook and our website during 2011. Our resources were also dedicated to the request for submission of a proposal to the Naval Undersea Warfare Center in Newport, Rhode Island to support their staff retirees. Lynda McCall and I put together this multi-page proposal on behalf of the Society offering a comprehensive and interdisciplinary approach to growing older, touching upon both the human needs and financial requirements that insure quality of life in retirement. This proposal was specifically designed for Federal Employees and covered their various retirement opportunities available through FERS, CSRS, Social Security and personal savings.

We were solicited to place a late bid by the individual who was managing the retirement seminars. He was impressed with our proposal and asked that we present a proposal for future RFPs. This proposal is on file in our home office for use by other members.

The financial statement that follows my report will provide a clear indication of the level of effort and support of the Society has made to the CRFA program. We are eager to continue this terrific momentum in the coming year.

The members of the Society nominated and approved the following SCRFA Board Members:

Steve Hamant – Vice President

Brent Beesley – Secretary

Paul Wood – Treasurer

Steve Johnson – Member at Large

As President of the BoD, I nominated, and the Board approved the following positions:

Fred De Napoli, CRFA Certification Board Chairman

Dr. Rafeek Mikhail, SCRFA Retirement Academy Board Chairman

Respectfully Submitted,

Albert V. DiVirgilio

Albert V DiVirgillio, SCRFA Bod President



STEPS TO ACCREDITATION:

Our efforts to align the CRFA program with International Standards, moving us towards the accreditation application process have been ongoing since 2008. Have you wondered what steps toward accreditation we have completed? One question we receive from a CRFA is, "What is the next step?" Hopefully the following review of our actions will answer your questions.

1. In December 2008, a committee of Subject Matter Experts (SMEs) met in Florida at SMT's office to identify an exhaustive list the knowledge, skills and abilities that a competent Retirement Financial Advisor uses on the job.
2. Using the list of tasks identified by the SME committee, SMT developed an online survey that included a demographic questionnaire, and an importance rating scale with which respondents were asked to judge the knowledge, skills and abilities related to competency as a retirement financial advisor. Over 1200 advisors were invited to take the survey. (Thanks to all of the Society members who participated!)
3. SMT utilized the responses of the survey participants to create a Job Analysis Report on the roles and responsibilities of the RFA, which included a translation of the Job Analysis results into an updated CRFA test content outline. This report is posted on the website www.crfa.us on the tab marked *CRFA Publications for Download*.
4. Based on the updated content outline, the existing bank of CRFA test questions was reviewed. As is typical during a Job Analysis cycle, many of the questions in the CRFA test bank were in need of updating and revision, which prompted a concerted effort to write new questions to update the pool of test questions.
5. SME Committee was tasked with writing more than 65 questions based on question writing assignments across the CRFA examination content outline.
6. The questions were reviewed by a second set of SMEs to insure that each question met the following criteria:
 - The question is relevant (applies to a task on the content outline)
 - The question is fair (not tricky, hard to read or understand)
 - The question is valid (has one inarguably correct answer that is confirmed by a reference)
 - The question contains no bias against any population subgroup.
7. SMT test development staff assembled an updated CRFA examination that satisfied the new content outline (examination blueprint). Another group of SMEs were charged with the responsibility of reviewing the assembled examination, and verifying the correct responses.

8. The SMT test development staff led the SMEs through a cut-score setting workshop on the newly approved exam. Each SME was asked to provide a judgement of how many of 100 competent RFAs would know the answer to each question on the examination. This procedure is called a Modified Angoff study, and allowed the CRFA Certification Board to set a passing score for the examination that is reflective of competency in the role, moving beyond the arbitrary assignment of a minimum passing score. Using this cut score setting process assures us that if everyone who sits for the examination is competent, everyone will pass. The minimum raw passing score was then placed on a scale that is fixed at 70 as a passing. This allows the CRFA Certification Board to translate future raw passing scores onto the same reporting scale.
9. In January 2011 the updated examination was launched. In order to assemble meaningful statistics on which to analyze the psychometric performance of the test questions and the test as a whole, SMT suggested that a minimum of 25 – 50 individuals take the exam. SCRFA Board of Directors set a goal to recruit 30 examinees.
10. During 2011, 33 candidates applied for and met the CRFA eligibility requirements and registered to take the examination. By the end of 2011, 18 candidates took the examination, and by April of 2012 we exceeded the Board goal, with 32 candidates testing.
11. Concurrently, the Society was reviewing internal documents, updating the By-Laws, Mission Statement, Conflict of Interest Statement, Code of Ethics and more. The CRFA Certification Board was tasked with updating the CRFA candidate handbook, application, and the policies and procedures governing the program



**MEMBERS IN THE NEWS AND
MEMBERS WHO ARE WORKING
FOR YOU!**



Evan Beecham – Immediate Past President. Served from June 2008 until June 2011.



Fred DeNapoli - Chair of the CRFA Certification Board.



Jim Brogan
Our Shining Star!

Three of your SCRFA Board Members



Paul Wood –
Appointed as Treasurer



Brent Beesley -
Appointed as Secretary



Steve Johnson
Appointed as Member-at-Large.

Check the website to learn more about the above members.