

FI360

Accredited Investment Fiduciary[®] Web-based Program Agenda

Introduction

- About Fiduciary360
- Who is an investment fiduciary?
- Why you need to understand fiduciary responsibilities.
- Laws governing fiduciary responsibility and the Precepts and Practices derived from them
- Using the AIF designation to:
 - Be more effective in your fiduciary role
 - Help the investors you serve be more successful and satisfied
 - Enhance the financial services profession
- Interactive Practical Application with Exercise: SEC/DoL fact sheet for Plan Fiduciaries

Introduction Quiz

Investment Manager's Practices

- Background of Investment Manager's Practices

Investment Manager's Practices Quiz

Step 1 - Organize

Introduction

- Practice SA-1.1: Managing investments in accordance with:
 - Applicable laws
 - Trust documents
 - Written Investment Policy Statements
 - Fiduciary File
- Practice SA-1.2: Roles and Responsibilities
 - Identifying Fiduciaries
 - Cases
 - Delegating Responsibilities
 - Documenting
- Practice SA-1.3: Avoiding self-dealing
 - Examples of potential conflicts
 - Avoiding versus Managing Conflicts
- Practice SA-1.4: Service agreements and contracts in writing
- Practice SA-1.5: Jurisdiction over assets
 - 408(b)(2)

Step 1 - Organize Quiz

Step 2 - Formalize

- Introduction: Applying the Formalize Step
 - Hierarchy of Decisions
 - Efficient Frontier: Mean-variance vs. Resampled efficiency optimization
 - GAIP (Generally Accepted Investment Principles)
 - Fi360 Optimizer
 - IPS Generator
- Practice SA-2.1: Time horizon
 - Defined Benefit and Defined Contribution Plans
 - Foundations and Endowments
 - Retail Investors
 - Contingency Plans
- Practice SA-2.2: Risk level and tolerance
 - Probable and less than ideal scenarios
- Practice SA-2.3: Expected return
 - Modeled Returns
 - Reasonable assumptions and optimizers
- Practice SA-2.4: Asset class selection
 - Diversification to Policy portfolio
 - Policy vs Pricing Portfolio
 - Participant Directed Plans
 - Asset allocation and optimizers
- Practice SA-2.5: Asset class implementation and monitoring
 - Sequence for adding asset classes
 - Alternative investments
- Practice SA-2.6: The IPS as the business plan
 - Introduction to the IPS
 - Rebalancing according to the IPS
 - Due diligence
 - Monitoring Criteria
 - Investment Management Expenses
- Practice SA-2.7: Optional SRI screens
 - SRI defined
 - Special value
 - Due diligence for SRI and methods for implementing
- Interactive Practical Application with Exercise: IPS Review

Step 2 - Formalize Quiz

Step 3 - Implement

- Introduction
- Practice SA-3.1: Investment due diligence
 - Fi360 recommended screens and thresholds
 - Fiduciary Score
- Practice SA-3.2: Safe harbors
 - 404 (a)
 - 404 (c)
 - Fiduciary Advisor Safe Harbor
 - QDIA
 - Fiduciary requirements if following safe harbors
- Practice SA-3.3: Appropriate investment vehicles
 - Passive/Active Investing

- Separately Managed vs. Commingled Accounts
- Account Structure
- Regulated Investment Options
- Data regarding investment options
- Practice SA-3.4: Service providers selection
 - Due Diligence
 - Insurance
 - Cash sweep vehicles

Step 3 - Implement Quiz

Step 4 - Monitor

- Introduction
- Practice SA-4.1: Quantitative Reviews
 - Performance reports and factors
 - Watch List
- Practice SA-4.2: Qualitative reviews
 - Factors and Resources
 - Taking action
- Practice SA-4.3: Control Procedures
 - Best Execution
 - Soft Dollars
 - Proxy Voting
- Practice SA-4.4: Fees for investment management
 - Compensation for managers
 - Service agreements and fees
- Practice SA-4.5: Fees paid for asset placement
 - Current discussion of fees
 - Separation of service providers' functions
 - Pertinent legislation and resources
- Practice SA-4.6: Periodic review process in place
 - Meaning and principles of Assessment
 - Assessment types, activities and phases

Step 4 - Monitor quiz

Wrap-Up

- Code of Ethics
- End of Class documents:
- Program Critique
- Designation application
- Continuing education requests
- Back in the office

AIF Final Exam