



Financial Management Specialist

Exam CP-FIN100

Domain 1: Building a Financial Foundation

- 1.1.1: Define financial literacy and explain its importance in achieving financial goals.
- 1.1.2: Develop a positive financial mindset that prioritizes long-term well-being.
- 1.1.3: Craft a personal financial mission statement that reflects your values and aspirations.
- 1.2.1: Set SMART financial goals that are Specific, Measurable, Achievable, Relevant, and Time-bound.
- 1.2.2: Distinguish between needs and wants and make informed spending decisions.
- 1.2.3: Differentiate between short-term and long-term purchases and understand their impact on your financial goals.
- 1.3.1: Explain the impact of financial attitudes and behaviors on your overall well-being and future financial success.
- 1.3.2: Identify how social media and online activity can influence your financial decisions and future opportunities.
- 1.3.3: Develop strategies for responsible online behavior to promote sound financial planning.

Domain 2: Budgeting and Cash Flow Management

- 2.1.1: Define your "magic number" and explain its importance in financial planning.
- 2.1.2: Differentiate between fixed and variable expenses and calculate your magic number.
- 2.1.3: Create a comprehensive budget that allocates income towards expenses and financial goals.
- 2.2.1: Define cash flow management and explain its importance for financial well-being.
- 2.2.2: Identify the benefits of using financial tools like budgeting apps and online banking for cash flow management.
- 2.2.3: Analyze the components of a paycheck, including deductions and taxes, to calculate net and disposable income.
- 2.3.1: Develop a personalized budget to track income and expenses and achieve your financial goals.
- 2.3.2: Choose a budgeting method that aligns with your financial situation and goals (e.g., 50/30/20 rule, zero-based budgeting).
- 2.3.3: Create financial projections to anticipate future income and expenses based on potential life changes.

Domain 3: Understanding Credit and Debt

- 3.1.1: Analyze the role of credit scores in financial well-being.
- 3.1.2: Evaluate credit card options based on interest rates, annual fees, and rewards

programs.

3.1.3: Calculate the total repayment amount for a credit card purchase, including interest charges.

3.2.1: Differentiate between good debt and bad debt and its impact on your financial well-being.

3.2.2: Develop a personalized debt repayment plan using two popular methods (debt avalanche and debt snowball).

3.2.3: Analyze the impact of interest rates on debt repayment and explore strategies to minimize interest charges.

3.3.1: Analyze different credit options (debit cards, credit cards, installment loans) and their advantages and disadvantages.

3.3.2: Evaluate credit card offers, considering factors like introductory rates, annual percentage rates (APR), and potential hidden fees.

3.3.3: Develop and implement responsible credit card usage habits to avoid debt pitfalls.

Domain 4: Investing for the Future

4.1.1: Explain the concept of Decentralized Finance (DeFi) and its core functionalities.

4.1.2: Analyze the potential benefits and risks associated with DeFi compared to traditional financial systems.

4.1.3: Explore established Fintech tools and services for effective financial management.

4.2.1: Identify different investment options and understand their risk-return profiles.

4.2.2: Explain the concept of risk tolerance and its role in investment decisions.

4.2.3: Apply the principles of diversification to build a balanced investment portfolio using a stock market simulator.

4.3.1: Apply advanced risk management techniques to protect your investment portfolio.

4.3.2: Identify and understand common behavioral biases that can influence investment decisions and develop strategies to overcome them.

4.3.3: Explore advanced investment strategies like options trading and margin investing (while recognizing the associated risks).

Domain 5: Financial Security and Planning:

5.1.1: Analyze the impact of Fintech on a specific industry (e.g., banking, investments, insurance).

5.1.2: Recognize common financial scams and red flags.

5.1.3: Develop strategies to protect yourself from fraud and identity theft.

5.2.1: Define Fintech and explain how it is transforming financial services.

5.2.2: Identify the benefits and challenges associated with Fintech adoption.

5.2.3: Recognize key terms within financial agreements and the importance of informed

decision-making

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Domain 6: Managing Risk and Building Wealth

6.1.1: Define taxes and explain their purpose.

6.1.2: Identify different types of taxes that apply to individuals.

6.1.3: Describe the tax filing process, including deadlines and documents required

6.2.1: Define a legal entity and explain its significance for businesses.

6.2.2: Identify and differentiate between common legal entity structures (sole proprietorship, partnership, LLC, corporation).

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Domain 7: Planning for the Future

7.1.1: Define financial security and explain its importance for a fulfilling life.

7.1.2: Identify different types of insurance and their purposes (health, auto, life).

7.1.3: Explain key insurance concepts like premium, deductible, and coverage limits.

7.2.1: Identify different sources of retirement income, including Social Security, employer plans (like 401(k)s and pensions), IRAs (Traditional, Roth, SEP, SIMPLE), and personal savings.

7.2.2: Explain strategies to maximize retirement income, such as taking advantage of employer matching contributions and developing a sustainable withdrawal plan.

7.2.3: Analyze the role of life insurance and annuities in retirement planning and how they might complement your overall strategy

7.3.1: Strategies to maximize retirement income and manage wealth effectively.

7.3.2: Responsible management of a potential inheritance.

7.3.3: The importance of estate planning documents like wills and trusts