

## Financial Planning Education Council Charter

### Purpose

The Board of the Financial Advice Association of Australia (“the FAAA”) has established a committee known as the Financial Planning Education Council (“FPEC”). The overall purpose of FPEC is to raise the standard of financial planning education and promote financial planning as a distinct learning area and a career of choice for new students and career changers.

In addition, FPEC will support and advise the Board on matters associated with CFP content development and TEQSA accredited curriculum.

This Board approved Charter governs the operations of FPEC including roles and responsibilities, composition, membership, meetings and access to information.

### Roles and Responsibilities

The roles and responsibilities of FPEC are to:

- 1. Drive the development of higher education provider (HEP) level financial planning programs through:**
  - The provision of advice for higher education providers undergoing Treasury accreditation. This includes, academic and professional advice on course content and curriculum.
  - Ongoing monitoring of Treasury updates and requirements; liaising or lobbying where required for changes or amendments.
  - Seeking to liaise with all Treasury approved higher education providers and represent the needs of the Australian financial planning academic community to Treasury.
  - Guidance and approval of CFP unit mapping and advanced standing into higher education providers courses for the FAAA.
  - Assisting to develop structure and processes of academic frameworks for higher specialist study units.
  - Consult and provide guidance to the FAAA in relation to the development of education standards and curriculum.
- 2. Support the structures needed within the higher education provider (HEP) environment to build financial planning as a discipline by:**
  - Establishing expectations of academic participation and providing support to academics in the profession.
  - Establishing mechanisms to channel funding for research in financial planning.
  - Advancing Australian financial academic and professional growth by bringing world-wide research and global curriculum updates to Australia.
  - The development of academic awards and recognition within the discipline of financial planning.
- 3. Encourage Industry Engagement with Academia by:**
  - Promoting the value of HEP and Industry partnership and links in financial planning
  - Speaking on behalf of both academics and practitioners to Regulators such as ASIC and Treasury.
  - Promoting conferences/activities that bring academia and professional practice together.
- 4. Encourage the growth of enrolments in financial planning courses:**
  - Promoting the career of Financial Planning to higher education provider students and high school students and Careers Advisors.
  - Seeking to develop and grow scholarship funds.
  - Supporting the growth of internships and professional year placements for HEP students.

## 5. Consider any other matter referred to FPEC by the Board.

FPEC is not authorised to make decisions on behalf of the Board but will consider and make recommendations to the Board on matters within its own Charter.

In all other respects, however, FPEC is an independent body, with authority to speak in its own right regarding education standards and accreditation and support of academics and HEPs, including research.

Resourcing FPEC's activities is provided by the FAAA and managed, within an approved budget, by an appointed FAAA Staff Member (Head of University and Student Programs as at December 2023).

## Reporting

The Committee shall report to the Board on an annual basis, summarizing the work performed by FPEC in the discharge of its duties and responsibilities and making any recommendations it considers necessary.

## Composition

FPEC will seek to ensure broad representation of membership and may include representatives from:

- Higher Education Academic representation at no more than 50% of membership.
- Higher Education Academic representation to include a representative of The Financial Planning Academics Forum (FPAF) and/or the Financial Planning Research Journal (FPRJ) editorial board where practical.
- Professional financial planner and business representation at no more than 50% of membership including the Secretariat role supported by the FAAA.
- FPEC will have no more than 12 members (including the Chair) and will seek a balance of academics and practitioners.

### Voting rights

- FPEC council members will be voting members.
- Voting members from each State to be represented where possible.
- Subcommittee membership is a non-voting membership and up to two representatives from each HEP may be accepted in this category.

## Appointments

The FAAA Board will determine FPEC appointments in the manner it may determine from time to time.

In respect of determining representatives of the following groups, the initial approach will be:

- Higher Education academic representation:

The FAAA will seek nominations through the Financial Planning Academics Forum as well as through direct invitations to higher education providers with approved degrees.

- Professional financial planner and business representation:

The FAAA will call for nominations of practitioners with an interest in being involved in FPEC. Practitioners in this sense would include financial planning practitioners and compliance or learning and development staff from within FAAA Professional Practices or membership base.

The individuals appointed to FPEC by the FAAA Board are appointed in their own right and not as the representative of any employer institution.

An independent FPEC Chair will be a senior appointment from the higher education provider sector.

Nothing herein prohibits the FAAA appointing one or more FAAA Board members.

## Term of membership

It is important that the Council membership continue to be broadly representative, regularly refreshed, and able to build on the accumulated corporate memory. Accordingly, it is envisaged that:

- the initial term of any new FPEC membership will be two (2) years, with a review conducted by the FPEC Chair at the end of the 12 month mark.
- the maximum period of FPEC membership will be two (2) consecutive terms of two (2) years each.
- The Chair can recommend that members' periods extend beyond this period at their discretion, or if more than three (3) positions become vacant in any renewal period.
- The Chair may exceed the maximum period of FPEC membership once appointed to the position, for a maximum of two (2) terms of two (2) years (i.e. 4 years).

The FAAA Board retains a general power to terminate a person's membership of FPEC without reason or notice.

## **Meetings**

FPEC will hold at least two regular meetings per year and such additional meetings as the Chair may direct in order to fulfill its duties. These meetings will normally be held by video conference.

A forward meeting schedule for FPEC is to be submitted by management at least annually.

Draft agenda for all regular meetings of the Committee will be provided to the Chair for review prior to being finalised. Every effort will be made to distribute papers for regular FPEC meetings at least five days prior to the meeting.

The Chair of FPEC is required to call a meeting of FPEC if requested to do so by any FPEC member or by the Board.

The FAAA's Head of University and Student Programs will be responsible for ensuring support for FPEC and, in particular, will be responsible for arranging minutes of the meetings of FPEC, and circulating the minutes to FPEC members.

A copy of all minutes will be made available to the Board within its regular meeting papers.

## **Access**

The FAAA shall provide appropriate information to FPEC members as a matter of course taking into account privacy provisions. The FAAA Board will allow for reasonable resources to assist FPEC in carrying out its duties.

## **Conflict of interest**

At each meeting, FPEC members and others attending the meeting will be invited to declare if they have a conflict of interest in relation to any matters listed for discussion. Any conflict of interest declared shall be recorded in the minutes and FPEC will determine whether that conflict of interest should preclude the person making the declaration from involvement in discussion or decision of the relevant matter.

## **Confidentiality**

All members of FPEC shall sign a confidentiality agreement.

## **Assessment of FPEC's performance**

An annual review will be undertaken of the effectiveness of FPEC.

## **Review of the Charter**

FPEC should review the Charter at least annually and refer any recommended changes to the Board for its consideration and approval or otherwise.

## **February 2024**