

Certificate in International Treasury Management - Public Finance (CertITM-PF)

A certified professional qualification in the fundamentals of treasury management for the public services

CIPFA | The Chartered Institute of
Public Finance & Accountancy

TREASURY, RISK
AND FINANCE
PROFESSIONALS

ACT

- A global standard in treasury management
- Delivers essential treasury understanding for those working in the public services
- Accessible worldwide through an online study programme
- Endorsed by the leading international treasury management and public sector accountancy associations

"This new qualification represents a major development in professional public sector treasury management."

Ken Barnes, Chair of CIPFA Treasury Management Panel

www.treasurers.org/certitmpf

Certificate in International Treasury Management - Public Finance (CertITM-PF)

A certified professional qualification in the fundamentals of treasury management for the public services

The Certificate in International Treasury Management - Public Finance (CertITM-PF) is a practical professional qualification from the Association of Corporate Treasurers (ACT) and the Chartered Institute of Public Finance and Accountancy (CIPFA). It delivers core knowledge, technical and practical skills and is the only qualification to provide a fundamental understanding of all aspects of treasury management for the public services from an international perspective.

Course objectives

- To provide practical understanding of the core elements of international treasury management for the public services and help you apply this knowledge in your day-to-day working environment
- To offer an international focus that will meet the needs of finance professionals working in today's multinational business environment
- To deliver a flexible learning programme and tutor support that is accessible wherever and whenever you choose to study.

Benefits

You will gain:

- A clearer understanding of the essential principles and techniques of international treasury management
- The core knowledge, technical and practical skills required for a role in treasury management
- A certified professional qualification from the leading provider of international treasury education and the leading professional accountancy body specialising in the public services
- Eligibility to become a member of the ACT's ITM faculty which offers a continuous professional development resource and networking opportunities for holders of CertITM
- Eligibility to become an Affiliate Member of CIPFA and use the designatory letters CIPFA (Affil).

Course overview

CertITM-PF is a six-month course of 150-200 study hours assessed by a comprehensive paper-based multiple choice examination. It comprises five study units:

• Cash and Liquidity Management

Examines the context for international cash and liquidity management such as financial and banking systems and the time value of money. It introduces the financial markets and cash management activities.

• Capital Markets and Funding

Explores core concepts of equity and debt and their associated public and private markets plus legal, regulatory and documentary issues and practical aspects of debt management.

• Corporate Financial Management

An introduction to financial accounting and reporting as it impacts on treasury management, investment decision making and capital structures.

• Risk Management

Explains the relationship between risk and business strategy, and the role of treasury, the development of policy and the key instruments used in financial risk management.

• Treasury Operations and Controls

Examines the treasury function, systems and operation in the context of the organisation and how policy, objectives and controls are established to manage treasury activity efficiently and securely.

ACT and CIPFA have partnered to develop this qualification in response to growing awareness that treasury management training is vital for all staff managing funds in the public services. The 2008 Icelandic bank failures highlighted this point on a very large scale.

Significantly, one of the key recommendations of the Audit Commission's study¹ into that failure was that "CIPFA should continue to work with the Association of Corporate Treasurers to develop appropriate training and a qualification." The development of specialist skills within local authorities was also supported by the Select Committee report² on local authority investments.

¹ Risk and return report, published by the Audit Commission, March 2009

² Local authority investments report, published by the Communities and Local Government Select Committee, June 2009

Who should take this qualification?

CertITM-PF is relevant to anyone who needs a core understanding of treasury in the public services. It is aimed at staff working within the treasury management area of their organisation or where there is a need to understand the wider issues within treasury management.

In particular, it is relevant for those who:

- Work in treasury management in the public services
- Need to understand the wider issues of treasury management
- Have responsibility for treasury matters as part of a larger overall role
- Are considering a career in treasury management either domestically or internationally
- Deal with treasury matters as part of an advisory or consultancy role.

Why is this relevant?

Treasury management in the corporate world is driven from the perspective that the purpose of a firm is to increase shareholder value. Whilst public bodies do not have the same concept of shareholder value, they do have a public duty to ensure the most effective use of public funds. Common principles, such as those seen in the analysis of security, liquidity and yield of an investment, show that there is a lot to be gained from the corporate perspective.

CertITM-PF covers the main areas of corporate treasury. Whilst some of the topics may not be familiar or appear directly relevant to those who work within public finance treasury, a knowledge of them will enable you to put the public finance aspects of the course into context and enhance your understanding of treasury in the public finance world.

Enrolment deadlines:

15 September for April examination

15 March for October examination

To date over 230 candidates have joined the CertITM-PF study network

How will I study?

CertITM-PF is a distance learning programme combining self study with optional face-to-face tuition. The study materials are delivered online through the course website, supplemented with a range of online resources designed to support your learning. These include downloadable PDF versions of the course material, practical exercises, self tests and further reading materials.

Working through an activity:



Tutor guided forum

Each study group also has the support of a dedicated course tutor to answer questions, solve problems and offer advice through the online discussion forum. This enables regular interaction with both the course tutor and other students.

Posting a question using the course discussion forum:



Using the study site

You can access the e-learning site one week prior to the course starting date, giving you plenty of opportunity to familiarise yourself with how the course is structured and how the website works. Using the e-learning site does not require any special IT expertise, but you will need internet access plus Microsoft Word, Excel and Adobe Acrobat in order to participate in the course.

Optional face-to-face teaching

Whilst it is possible to complete the course through the online distance learning programme, optional face-to-face tuition and revision days are available to supplement your studies.

Syllabus

Study Unit 1: Cash and Liquidity Management

Section 1: Cash, Liquidity and the Business

- 1.1 Cash and liquidity management
- 1.2 Cash flow forecasting
- 1.3 Working capital management

Section 2: Discounted Cash Flow Analysis

- 2.1 Interest rates
- 2.2 Discounted cash flow analysis and the time value of money
- 2.3 The yield curve

Section 3: Borrowing and Investing Markets and Instruments

- 3.1 The money markets
- 3.2 Banks and bank accounts
- 3.3 Payment instruments
- 3.4 Bank loans and deposits
- 3.5 Non-bank instruments

Section 4: Foreign Exchange

- 4.1 The foreign exchange market
- 4.2 Forward FX markets and swap FX markets

Section 5: Managing Cash in Practice

- 5.1 Banking systems
- 5.2 Notional pooling and cash concentration
- 5.3 Efficient cash flow management

Study Unit 2: Capital Markets and Funding

Section 1: Funding

- 1.1 Corporate equity capital
- 1.2 Sources of funding for public bodies

Section 2: Debt Instruments and Intra-group Funding

- 2.1 Introduction to debt
- 2.2 Debt capital markets
- 2.3 Bank lending
- 2.4 Managing bank relationships
- 2.5 Alternative and Intra-group funding

Section 3: Practical Aspects of Debt Management

- 3.1 Loan documentation
- 3.2 Credit ratings

Section 4: Alternative Funding Solutions

- 4.1 Intercompany funding
- 4.2 Alternative funding solutions

Study Unit 3: Corporate Financial Management

Section 1: Financial Accounting and Reporting

- 1.1 Introduction to financial statements
- 1.2 Financial ratio analysis and financial profiling
- 1.3 IFRS and treasury management

Section 2: Investment Decision Making

- 2.1 Investment appraisal using DCF
- 2.2 Business valuation

Section 3: Capital Structure and Investment Returns

- 3.1 Capital structure
- 3.2 Dividend policy
- 3.3 Risk, return and cost of capital

Section 4: Shareholder Value and Efficient Markets

- 4.1 Shareholder value management

Study Unit 4: Risk Management

Section 1: Risk and its Management

- 1.1 The concept of risk
- 1.2 Risk management
- 1.3 Types and sources of risk

Section 2: A Risk Management Framework

- 2.1 Risk identification and assessment
- 2.2 Risk evaluation
- 2.3 Responses to risk
- 2.4 Risk management policy and reporting

Section 3: Financial Risk and Instrument Types

- 3.1 Treasury risks checklist
- 3.2 Fixing instruments
- 3.3 Options

Section 4: Derivatives for Hedging

- 4.1 Interest rate risk management
- 4.2 Foreign exchange risk management

Study Unit 5: Treasury Operation and Controls

Section 1: Treasury Management Framework

- 1.1 Regulatory framework for public bodies
- 1.2 Treasury policy, strategy and procedures
- 1.3 Performance measurement

Section 2: Corporate Governance and Treasury Controls

- 2.1 Corporate governance
- 2.2 Operational risk and control
- 2.3 Treasury reporting
- 2.4 Ethical codes

Section 3: Treasury Organisation and Operations

- 3.1 The treasury function
- 3.2 Treasury structure
- 3.3 The use of external providers

Section 4: Treasury Systems

- 4.1 Role of technology
- 4.2 Treasury management systems

Optional tuition days for this course are available.
Syllabus may be subject to revision.

About CIPFA

CIPFA, the Chartered Institute of Public Finance and Accountancy, is the professional body for people in public finance.

Our 14,000 members work throughout the public services, in national audit agencies, in major accountancy firms, and in other organisations where public money needs to be effectively and efficiently managed.

As the only professional accountancy body in the world to specialise in the public services, CIPFA's qualifications go hand in hand with a successful career in public finance.

www.cipfa.org.uk

CIPFA Affiliate Membership

On successful completion of the CertITM-PF you are eligible to become an Affiliate member of CIPFA allowing you to use the designatory letters CIPFA (Affil).

CIPFA membership provides you with the networks and resources to keep up to date with all the latest finance developments within the public services. These are highlighted in CIPFA's weekly Public Finance magazine which you will receive free of charge.

CIPFA Support Services

In addition to the CertITM-PF qualification, CIPFA offers a range of support services for those working in treasury management, including the Treasury Management Panel, Treasury Management Forum, various publications and consultancy support.

www.cipfa.org.uk/tm

About the ACT

The Association of Corporate Treasurers (ACT) is the international body for finance professionals working in treasury, risk and corporate finance. It is also the world's leading examining body for treasury, providing benchmark qualifications and continuing development through training, conferences and publications – including The Treasurer magazine.

www.treasurers.org

AMCT Diploma in Treasury

CertITM-PF is one of several Certificate Papers that can be taken as independent qualifications but that also count towards the AMCT Diploma in Treasury - the ACT's core qualification, which leads to associate membership and the designatory letters AMCT.

AMCT delivers understanding of the essential topics within treasury, risk and corporate finance. The modular syllabus provides a thorough understanding of the principles and techniques underpinning corporate treasury whilst offering the opportunity to build specialist knowledge in key areas.

www.treasurers.org/amct

ITM Faculty

On passing CertITM-PF you are eligible to become a member of the ITM Faculty which will continue your involvement with the ACT once you have finished studying and support your continuous professional development.

Benefits include access to a wide range of resources including the knowledge centre with updated CertITM-PF course materials, best practice guidance and technical content as well as a free subscription to The Treasurer magazine. Networking opportunities are also available through the faculty member directory, discussion forum and ACT regional group events.

www.treasurers.org/faculty/itm

