

Certified Pension Consultant (CPC) Modules Related Groups and Business Transactions Module

Course Overview

As the culminating designation for the non-actuary ASPPA member, the Certified Pension Consultant (CPC) credential is intended as an opportunity for a successful candidate to demonstrate their accumulated retirement plan knowledge and experience.

To earn the CPC credential, candidates build upon a foundation of knowledge acquired by passing the examinations required for the QKA and QPA credentials. CPC candidates will demonstrate their knowledge and experience through the completion of specific core and elective online modules as well as a single comprehensive proctored CPC essay examination.

The modules and proctored exam will provide opportunities for analyzing and solving consulting problems that might be encountered in real-life client situations. In professional practice, more than one statutory provision or retirement plan consideration often applies, and the pension consultant must be able to recognize and evaluate in depth each potential issue for his or her client.

Additionally, because ASPPA members are required to comply with ASPPA's Code of Professional Conduct, the topic of ethical performance in one's professional capacity forms an important part of the CPC course of study and ethics questions will be a part of each core module and the proctored exam.

Module Details

Each module is offered online and includes a text component and an exam. The questions will be designed to reflect real situations that arise as practitioners consult with clients in practice. Candidates may need to do some research before answering the questions. **It is expected that candidates will use resources and reference materials beyond the information in the text.** In this way, the online modules will assess not only a candidate's mastery of the material in general, but also the candidate's ability to research complex issues and provide the appropriate advice to clients.

There are four core modules and four elective modules:

Core Modules

- Investments
- Distributions & Loans
- Fiduciary Topics
- Related Groups & Business Transactions

Elective Modules

- ESOPs

- Governmental & Tax-Exempt Plans
- Nonqualified Plans
- Cash Balance

ASPPA candidates that have completed ASPPA's QPA examination series will be required to complete the 4 core modules, 2 elective modules (please see CPC Module Credit section below) in addition to the CPC proctored examination to obtain the CPC credential.

ERPAs who have not completed ASPPA's QPA examination series will be required to complete the 4 core modules, 2 elective modules, CPC proctored examination and ASPPA's Basics of Defined Benefit Plans (DB) proctored examination to obtain the CPC credential.

Suggested Reading

CPC Module Text: Investments, Latest Edition, Arlington. VA: ASPPA

CPC Module Text: Distributions and Loans, Latest Edition, Arlington. VA: ASPPA

CPC Module Text: Fiduciary Topics, Latest Edition, Arlington. VA: ASPPA

CPC Module Text: Correction Programs, Latest Edition, Arlington. VA: ASPPA

CPC Module Text: Related Groups and Business Transactions, Latest Edition, Arlington. VA: ASPPA

CPC Module Text: ESOPs, Latest Edition, Arlington. VA: ASPPA

CPC Module Text: Governmental and Tax-Exempt Plans, Latest Edition, Arlington. VA: ASPPA

CPC Module Text: Nonqualified Plans, Latest Edition, Arlington, VA: ASPPA

CPC Module Text: Cash Balance, Latest Edition, Arlington, VA: ASPPA

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Exam

Each module is offered online and a PDF of the exam is also included if candidates prefer to print the exam and use the hard copy while performing the research needed to answer the exam questions.

Each module exam consists of 20 multiple choice questions, each worth 5 points. **A score of 70 or above is required to pass the examination.** Candidates will receive their grades immediately upon submission of the online exam.

CPC Module Credit

A candidate with a QPA achieved through the ASPPA examination series who has passed the **C-3** exam only (not C-4) will receive credit for the Investments, Distributions & Loans and Fiduciary Topics modules. These candidates will need to complete the Related Groups & Business Transactions module, two elective modules and the proctored CPC examination.

A candidate with a QPA achieved through the ASPPA examination series who has passed **C-4** only (not C-3) will receive credit for the Related Groups & Business Transactions and two elective modules. These candidates will need to complete the Investments, Distributions & Loans and Fiduciary Topics modules and the proctored CPC examination.

Additional Information

All candidates are encouraged to visit ASPPA's Examination Policy (<https://www.asppa.org/sites/asppa.org/files/PDFs/Education/NewEducation/Policies/ASPPA%20Exam%20Policy.pdf>) for additional information. It is the candidate's responsibility to check the ASPPA Web site for the most current information on examinations and publications. You may also contact ASPPA with questions at rpa@usaretirement.org.

Module: Related Groups and Business Transactions (Core)

Overview

The rules of common control have far reaching effects on many aspects of qualified retirement plans. For this reason, determining whether an employer is a part of a controlled group or an affiliated service group is critical to ensuring continued qualified status for retirement plans. This topic examines various types of these arrangements and the integral rules of attribution. Additionally, leased employee status and the complexities involved in distinguishing common law employees from independent contractors are explored. Also included is a review of the effect of business transactions such as mergers and acquisitions on groups under common control and the retirement plans sponsored by these entities.

Learning Objectives

The successful candidate will be able to:

- R.01 Analyze a fact pattern and conclude whether common control exists under IRC §§414(b) and (c).
- R.02 Explain the impact of controlled group status on qualified plan requirements.
- R.03 Apply the controlled group attribution rules under IRC §1563.
- R.04 Apply the modified stock attribution rules for parent-subsidary groups under IRC §415(h).
- R.05 Identify situations where an affiliated service group may exist and the information needed to make an ASG determination.
- R.06 Explain the impact of ASG status on qualified plan provisions.
- R.07 Apply the ASG attribution rules under IRC §318.
- R.08 Analyze a fact pattern and conclude whether an ASG exists under IRC §414(m).
- R.09 Distinguish between whether an entity is an A-org, B-org or an FSO.
- R.10 Analyze the impact of a management group in the determination of whether an ASG exists under IRC §414(m).
- R.11 Analyze a fact pattern and identify which plans or components of a plan may or must be aggregated or disaggregated in testing plan coverage.
- R.12 Explain when plans must be aggregated and how they may be aggregated or disaggregated for purposes of IRC §§410(b), 401(a)(4) and 401(a)(26).
- R.13 Identify the common law employee by using the 20 factor test prescribed in IRS Revenue Ruling 87-41.
- R.14 Identify whether a worker is a leased employee under IRC §414(n).
- R.15 Discuss the consequences of leased employees on the recipient client organization's plan.
- R.16 Analyze a fact pattern and conclude whether a controlled group or multiple employer plan exists.
- R.17 Discuss the advantages and disadvantages of establishing a multiple employer plan versus several single employer plans.
- R.18 Apply the rules for a multiple employer plan to a PEO relationship.
- R.19 Identify the issues with and considerations that must be made when a plan is merged into or spun-off of a multiple employer plan.
- R.20 Explain the requirements that must be met for an employer to satisfy the QSLOB rules.
- R.21 Analyze how QSLOBs affect testing under IRC §§410(b), 401(a)(4) and 401(a)(26) including performance of each test when a QSLOB exists.
- R.22 Evaluate a merger, acquisition or spin-off situation and provide options for handling the qualified plan issues that may arise.
- R.23 Discuss the appropriate actions to take when a plan has been abandoned.
- R.24 Analyze a fact pattern and apply the ASPPA Code of Professional Conduct.

Suggested Reading

CPC Module Text: Related Groups. Arlington, VA: ASPPA.