

# Advanced Financial Modeler accreditation from the Financial Modeling Institute FAQs

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## Overview of the FMI and its AFM accreditation

### What is the Financial Modeling Institute (FMI) and how is it different to other bodies?

- The FMI is the only financial modeling accreditation body in the world; it provides the world's leading financial modeling accreditation programme. Through its exams and accreditations, the FMI allows candidates, employers and the broader community to recognise true ability in financial modeling.
- The FMI exists to create and uphold international industry best practices with respect to financial modeling skills.
- The FMI offers rigorous, proctored, financial modeling exams that are completed in Excel within a set timeframe. The FMI's exams are created by the world's leading financial modelers.

### What is Advanced Financial Modeler (AFM) accreditation?

- The Advanced Financial Modeler (AFM) is the FMI's first level of accreditation. There are two further levels: Level 2 Chartered Financial Modeler (CFM) and Level 3 Master Financial Modeler (MFM).
- If you build, review or audit financial models, AFM accreditation will accelerate your abilities and career.
- Employers have come to realise that AFM accreditation is the new bar in financial modeling excellence. Passing the AFM exam is a true validation of modeling skills and employers say it makes great candidates stand out in interviews, and in their roles.
- The accreditations build on each other, i.e. CFM accreditation can only be achieved if AFM accreditation has been completed, and MFM accreditation can be achieved if CFM accreditation has been completed.

### What is the Level 1: Advanced Financial Modeler (AFM) Exam?

- To achieve the AFM accreditation, candidates need to demonstrate their superior modeling skills by building an integrated three-statement model from the beginning, within a four-hour exam.
- The exam is proctored, virtual and closed-book, meaning there is no access to external resources.

### Are there any prerequisites to take the AFM exam?

- Anyone can take the AFM exam, but it is recommended that candidates have advanced Excel skills/knowledge.

### Do I have to complete all three levels of accreditation?

- No, you do not need to complete all three levels. Each level is recognised as its own standalone accreditation. However, if you wish to complete CFM or MFM you will need to complete the prior accreditation first.

## What languages can I take the AFM exam in?

- The FMI exams are offered in English only. During the exam development process, the FMI makes every effort to ensure that questions are written in clear, concise form, which avoids the use of colloquialisms or other terms and phrases that may be more difficult for a person whose first language is not English to fully understand.

## CPD eligibility

### Does the AFM exam qualify for ACCA Continuing Professional Development (CPD)?

- The hours spent preparing for the AFM exam will be eligible for CPD units/hours.

### How many CPD units will I receive for preparing for the AFM exam?

- You can claim CPD units by preparing for the AFM exam in the following ways:
  - preparation using the AFM exam learning materials; there are up to 13 hours of content provided by the FMI including:
    - 12 hours of video tutorials
    - a one hour live or recorded preparation session
  - self-study: you can claim additional CPD units through the practice exams, rewatching video tutorials and further reading.
- Remember, a learning activity counts as verifiable CPD if it's relevant to your career, and you can explain how you used the learning in the workplace, and you can provide evidence that you completed the learning activity.

## Exam preparation

### What study materials are available to help me prepare for the exam?

- You will be able to access the AFM exam learning materials on the ACCA Learning platform.
- These materials include:
  - 12 hours of video tutorials
  - three practice exams with solutions
  - a sample AFM model and other follow-along materials
  - a Body of Knowledge document.

### What other resources are available to help me prepare?

- There will be a live preparation session exclusive to the ACCA cohort held by the FMI.
- This session will cover the logistics of the exam, exam preparation and exam day tips and tricks. You will have the chance to ask questions to members of the FMI team during the session.
- The session will be recorded so you can rewatch if or catch up if you missed the live session. The session is not mandatory, but we encourage all candidates to attend as the information may be invaluable.

### Is there a mock exam so I can get some exam practice?

- Through the ACCA Learning platform, you will receive access to three practice exams with solutions. We encourage you to set aside time to attempt these practice exams under simulated exam conditions. You will want to be able to complete your solution model with time to spare for best chances of success on exam day.

### How many hours does it take to prepare for the AFM exam?

- Preparation or study time for the AFM exam will vary based on your familiarity with financial modeling, professional experience and academic background.
- Based on previous candidate feedback, preparation times vary from 25 to 100 hours. As a member of the ACCA cohort, we expect that your preparation time will be closer to 50 hours.
- A reminder that there are up to 13 hours of learning material content included in this preparation time:
  - 12 hours of video tutorials
  - a one hour live preparation session.
- We expect that the remainder of the preparation time will be spent self-studying (reading AFM documentation, working through the practice exams and solutions, and rewatching the video tutorials).

### How long will I have access to the AFM learning materials for?

- Access to the learning materials is usually for 12 months from date of purchase however, if you defer your exam this may increase up to a maximum of 18 months.

## Registering for the exam

### How do I register for the exam?

- You will need to register for the exam directly with the FMI. ACCA will provide a link to all candidates so you can pick the month and timeslot that is most convenient to you.

### What will happen once I'm registered for the exam?

- All exam logistics are handled by the FMI.
- FMI will email you with details of how to login into the exam before the exam date. (The exam is on a different platform to ACCA Learning, which has the learning materials on it.)
- You will receive email communication from the FMI in the month leading up to the exam, including:
  - how to do a system test to ensure your system is compatible with the exam site and online proctor
  - how to access the FMI Virtual Exam Portal
- We advise you to start your learning for the exam as soon as you are able to, leaving enough time for a module a week, and some time to practise the practice exams.

### What if I am unable to make the exam sitting that I am registered for, can I change it?

- If you would like to defer your exam, you must send an email to [info@fmoinstitute.com](mailto:info@fmoinstitute.com) with

the details OR fill in the reschedule form that will be provided in your exam registration confirmation email. Please note, deferring your exam can incur administration fees, so we advise you to let FMI know as soon as possible if you wish to defer, to mitigate the amount you may need to pay.

- FMI holds four AFM exam sittings a year: February, May, July and October.
- You will continue to have access to learning materials on the ACCA Learning platform as long as you have a registered place in an upcoming exam.

### What happens if I miss my exam?

- If you do not show up at your scheduled exam time, you are considered a “No-Show” and your exam fee is forfeited.

### Can I retake the exam if I don't pass?

- Yes, you can retake the exam at a discounted rate. Any candidate who is considered a “No-Show” (please see point above for description of “No-Show”) can also retake the exam at the discounted rate. Please contact [info@fminstitute.com](mailto:info@fminstitute.com) if you would like to retake the exam.

## Taking the exam

### How do I access my exam?

- The AFM exam will be administered on the FMI Virtual Exam Portal. FMI will send you an email to access this approximately one month before your scheduled exam date.
- If you have not received any login details two weeks prior to the exam, please contact [info@fminstitute.com](mailto:info@fminstitute.com).

### What do I need for the exam (including system requirements)?

- The FMI's virtual exam format allows candidates to take the exam from anywhere in the world, provided they have:
  - access to a quiet, distraction free space where they can write alone and uninterrupted
  - a valid piece of government-issued photo ID
  - a working desktop or laptop computer and charge
  - a working space clear of any study notes or other materials (blank paper and writing implements are permitted)
  - screen dimensions capable of 1280x768 (minimum)
  - web camera (internal or external)
  - microphone (internal or external)
  - speakers (internal or external)
  - high-speed internet connection (20 Mbps download and 7 Mbps upload minimum)
  - a licensed, activated version of Microsoft Excel 2010 (or later) installed.

### Will I need to download any applications?

- When you first access the exam platform, as part of the “Exam Check-In” process, you will be prompted to install Proctorio Chrome Extension

- You will also need:
  - Microsoft Excel (2010 or later)
  - Google Chrome
- Completing the exam pre-test will determine if there are any problems with downloading any of the applications to your computer.

### **What if I can't download the Proctorio Chrome Extension? Will I still be able to take the exam?**

- If you are unable to install the Proctorio Chrome Extension, please notify the FMI team by contacting [info@fminstitute.com](mailto:info@fminstitute.com).
- A member of the team will provide you with instructions to have your exam proctored via Zoom Meetings. You will need to install Zoom Meetings prior to your exam.

### **What if my computer has restrictions that prevent the download of any of the applications?**

- We recommend that you connect with your IT Administrator to receive access to the appropriate applications.
- At a minimum, you will need to have Excel installed and have access to Google Chrome as your internet browser.
- Please also contact [info@fminstitute.com](mailto:info@fminstitute.com) and they will coordinate further possible solutions.

### **What kind of Macros can I use during the exam?**

- During the exam, you may create any Macros that you wish.
- Prior to the exam, you may use certain types of pre-built Macros. Pre-built Macros that control formatting (e.g. font colour, number format, etc.) and formula auditing are permitted. Your pre-built Macros cannot add text, formulas, or calculations to the model.
- A friendly reminder that the Proctor will be monitoring your webcam and screen throughout the exam!

### **How long will the exam last and can I take a break?**

- You will have four hours to complete the AFM exam. The exam timer will not start until you have completed the pre-exam process.
- Restroom breaks are allowed during your exam. However, no extra time will be given for any absences once the exam has commenced.
- Food and drinks are also permitted during the exam.

### **How can I request special accommodations for the exam?**

- To request special accommodations, please contact [info@fminstitute.com](mailto:info@fminstitute.com). Please make your request at least six weeks before your exam sitting and include any documentation that will support your request.
- Although the FMI is committed to making its exams accessible to everyone, unfortunately we cannot guarantee that all requests for special accommodations will be granted.

## Grading and Results

### How are the exams graded?

- Exams are graded manually by members of the FMI Grading Team using a formal grading rubric. Each exam is anonymised before grading. The exams are subjected to a three-step process involving multiple graders. Every effort is made to ensure a fair and appropriate evaluation.
- The FMI does not grade exams to maintain a specific pass rate. Anyone who meets the standards set in the grading rubric will receive a pass.

### When will I receive my exam results?

- Exam results will be emailed by the FMI directly to candidates within ten weeks of the exam date.
- If you are unsuccessful in passing the exam, the exam result email will outline retake options and access to the reduced retake fee.

### How can I appeal my exam result?

- The FMI's three step grading process makes every effort to ensure accurate exam results. As such, it is our policy not to re-grade exams unless there is a special circumstance.
- Requests for re-grading may only be made after you have reviewed your exam submission with a member of the Grading Committee through an Exam Review. Re-grading due to special circumstances is granted solely at the FMI's discretion and at no cost to the candidate.

### How do I apply for an Exam Review?

- Following the release of exam results, if you did not pass you can schedule a 30-minute Exam Review Call with a member of the Grading Committee. The purpose of the Exam Review Call is to highlight areas where the exam submission fell short and to encourage continued development of financial modeling skills.
- This is only available to candidates within 12 weeks of the delivery of unsuccessful exam results.
- The Exam Review Call must be purchased with a retake ticket at an additional fee. It will not be scheduled until the registration process is completed.

### Where can I use my new AFM accreditation/designation?

- Following a successful exam result, you can use the AFM designation after your name.
- You can use your designation in the following ways:
  - after your full name in written correspondence and/or as part of your email signature.
  - after your full name on business cards, letterheads and/or name plates.
  - as an identifier on resumés, CVs, biographies, personal statements and/or published articles.
- You will be optionally listed in the FMI Candidate Directory, a searchable registry and community of accredited financial modelers.

### **How do I write out my AFM accreditation/designation?**

- The AFM designation can be written as follows:
  - AFM: eg John Doe, AFM.
  - AFM holder: eg John Doe, AFM holder.
  - Certified AFM: eg John Doe, Certified AFM.
  - Certified Advanced Financial Modeler.

### **Will I receive a digital badge?**

- Yes, you will receive a digital badge upon successfully passing the AFM exam. The badge will be sent with your exam results from FMI.
- Your digital badge can be used to validate your achievement on social media and other online mediums.
- Through the FMI digital badge platform, you can download a copy of your certificate, which you can print and display.

## **Exam Content**

### **What industries does the AFM exam cover?**

- The AFM is designed to apply to all industries and sectors. The company in the Exam Case, whether it is a manufacturing company or otherwise, will not require specialised accounting treatment or other industry-specific knowledge.

### **Is formatting graded on the AFM exam?**

- We believe that a financial model is a powerful decision-making tool. With that in mind, the Grading Team does assess presentation, design and formatting on the FMI exams. However, the focus of grading is on assessing modeling skills.

### **Will I fail the exam if my balance sheet doesn't balance?**

- A lot more goes into a financial model than just a Balance Sheet. When your Balance Sheet does not balance it is an indication of an issue somewhere in your model. This issue could be small (eg typo in a formula) or large (eg an entire schedule is missing).
- The grading team will assess much more than whether your Balance Sheet balances.