



Continuing Education: Needs Analysis Checklist - MODEL DOCUMENT

This document serves as a resource for NAMA members to better understand MSRB Rule G-3 and continuing education requirements. This document should not be relied on for compliance purposes nor does it constitute legal advice. Municipal Advisory firms should answer these questions truthfully and in a straight-forward manner without unnecessary discussion.

Firm Structure

- Is the firm a sole practitioner or does the firm have a number of individuals who engage in municipal advisory activities on behalf of the firm?
- Is the firm solely engaged in municipal advisory activities or does the firm also engage in other securities related activity (e.g., is the firm registered as an investment adviser and/or Broker dealer)?
- Does the firm offer other services to its clients, such as election services, legal counsel or accounting services that may represent a conflict of interest?
- Has the firm been, or is the firm or any of the firm's associated persons, the subject of any disciplinary or legal action, such as a regulatory enforcement matter, arbitration or civil litigation?

Firm Activities

- Does the firm provide advice concerning the issuance of municipal securities (e.g., advice concerning the structure, timing, terms and other similar matters)?
- Does the firm provide advice with respect to municipal financial products, such as municipal escrow investments, municipal derivatives or guaranteed investment contracts?
- Does the firm provide advice to a municipal entity on the investment of the proceeds of municipal securities?
- Does the firm solicit a municipal entity or obligated person on behalf of certain third parties, such as an unaffiliated investment adviser, broker-dealer or municipal advisor?

Types of Clients

- What types of client(s) does the firm serve (i.e., municipal entities and/or obligated persons), and what are the business activities of the clients (e.g., school districts, hospitals, non-profit organizations, corporations)?
- If the firm engages only in solicitation activities, what types of entities are solicited (e.g., 529 college savings plans, government investment pools, public pension funds)?
- What size and how sophisticated are the clients the firm serves?
- How frequently do the firm's clients issue or refinance debt?
- What is the geographic diversity of the firm's clients?

Covered Persons

- Has the firm evaluated the level of knowledge required for each covered person to perform their respective job function?
- Has the firm reviewed the experience level of covered persons as it relates to the municipal advisory services and financial products offered by the municipal advisor?
- Do any of the firm's covered persons have a disciplinary history?
- Has the firm identified covered persons or categories of covered persons that should receive individualized or specialized training?
- Does the firm have covered persons working from a central location and are those covered persons supervised from that same central location, or are covered persons working from dispersed locations and supervised from dispersed locations?

Other Considerations

- Does the firm's suite of advisory services require additional training in order for covered persons to maintain a degree of knowledge and expertise to provide informed advice?
- What risks related to the financial products or services on which the firm provides advice should be specifically covered by the training?
- What are the regulatory requirements applicable to the firm's municipal advisory activities that, in addition to the fiduciary duty obligations owed to municipal entity clients, should be specifically covered by the training?
- What recent regulatory developments (e.g., rule amendments, guidance, enforcement actions, examination reports) may identify an area that merits additional training?
- Do any recent changes to the firm's policies and/or procedures identify a training need?
- Have supervisory reviews indicated that covered persons are not consistently adhering to one or more compliance procedures (e.g., covered persons are not reporting business entertainment to the firm on a timely basis), which may suggest a need for training on the applicable regulatory requirements?
- Has the firm's annual review and test of its compliance policies and written supervisory procedures under Rule G-44 identified a potential need for additional training on one or more applicable regulatory requirements?
- Is there any client feedback that indicates a need for additional training on one or more regulatory requirements (e.g., a client noted that a potential conflict was not disclosed in sufficient detail)?
- Has feedback received from regulatory exams indicated a need for additional training on one or more regulatory requirements (e.g., firm needs to make annual updates to registration forms more promptly)?
- What other feedback on training needs has been received from other internal sources (e.g., an employee survey)?
- Did the firm introduce new products or services that warrant more extensive training or updates to disclosure documentation?
- Have there been staffing changes that represent an increased risk to compliance or supervision?