

2017-2019 CTP Test Specifications

Essentials of Treasury Management, Fifth Edition

Content Areas	Number of questions	Content Areas	Number of questions
Domain 1. The Corporate Treasury Function.....	30-35	Domain 4. Capital Markets and Funding	22-24
A. Role of Treasury Management	4-6	A. Capital Structure and Dividend Policy	2-4
B. Treasury Organizational Structure	3-5	B. Sources of Capital.....	5-7
C. Financial and Regulatory Environment	5-7	C. Capital Market Investments	5-7
D. Relationship Management.....	5-7	D. Financing Decisions and Management	7-9
E. Financial Accounting and Reporting.....	3-5	Domain 5. Treasury Operations and Controls.....	21-24
F. Risk Management	4-6	A. Treasury Systems.....	4-6
G. Corporate Governance	3-5	B. Operational Risk Management	8-10
Domain 2. Cash and Liquidity Management.....	37-42	C. Treasury Procedures.....	5-7
A. Cash Management and Forecasting	16-19	D. Ethics and Accountability.....	2-3
B. Payment and Collection Systems.....	19-21	Unscored Questions.....	20*
Domain 3. Working Capital Management.....	32-35	33–37% of the questions test knowledge of basic facts and terms.	
A. Working Capital Philosophy and Tools.....	14-17	38–42% of the questions test an understanding of concepts and principles.	
B. Short-term Investing and Borrowing	10-12	23–27% of the questions test the higher thinking ability to apply concepts and principles to a specific situation.	
C. Financial Supply Chain	4-6	10–15% of the questions will require mathematical computations.	
D. Market Effects on Working Capital.....	2-3		

The *Essentials of Treasury Management, Fifth Edition* is the Body of Knowledge for the 2017-2019 CTP exams.

* These questions are unscored and do not count towards the final score. The questions may be from any domain. The specific questions on the exam that are unscored are determined before the start of the testing window.

> [For information on the 2014-2016 CTP Examination Test Specs, click here.](#)

Test Specification Task Statements

Within each of the domains above are tasks commonly performed by Certified Treasury Professionals. Successful performance of the tasks listed below requires specific knowledge, which is what will be tested.

Domain 1. The Corporate Treasury Function

1. Establish, review, and update treasury and related company policies and procedures
2. Develop and manage the treasury function per company policies and procedures and regulatory requirements to ensure compliance and mitigate risk
3. Benchmark performance against external sources to ensure best practices (e.g., industry benchmark materials, borrowing costs, accounting metrics, key performance indicators, banking fees comparative analysis)
4. Identify, negotiate, and select relationships and agreements with external service providers (e.g., financial, technological, investment/retirement advisor) to ensure best practices and competitive pricing
5. Monitor, evaluate, and maintain relationships and agreements with internal and external service providers (e.g., intercompany, financial, technological, investment/retirement advisor) to ensure compliance and agreed-upon service levels

6. Provide and maintain services to internal departments and affiliated companies (e.g., shared service center, in-house bank)
7. Reengineer treasury operations to prepare for and in response to change (e.g., mergers and acquisitions, initial public offering, economic conditions, corporate reorganization, regulatory changes)
8. Engage and advise stakeholders as treasury subject-matter experts to achieve and execute corporate strategic goals
9. Develop, implement, and manage banking structures (e.g., number, purpose, location of accounts)
10. Identify, measure, analyze, and mitigate risk (e.g., financial, market, operational, reputational)
11. Manage corporate governance relationships (e.g., auditors, analysts, rating and regulatory agencies)

Domain 2. Cash and Liquidity Management

1. Manage receipts and disbursements instruments strategically using geographic standards and practices
2. Research and evaluate receipt and disbursement methods to leverage new technologies
3. Develop, implement, and manage receipt collection methods
4. Develop, implement, and manage payment disbursement methods
5. Develop and monitor cash flow forecasts to manage liquidity and identify associated risk
6. Calculate and manage cash position
7. Review cash balances and transaction activity to ensure accuracy of cash position
8. Develop, implement, and manage cash concentration structures
9. Analyze and execute foreign exchange transactions
10. Manage merchant services programs (e.g., fees, risk, controls, card security compliance, retention requirements)
11. Develop, implement, and generate cash and liquidity management reports

Domain 3. Working Capital Management

1. Evaluate market conditions (e.g., spreads, interest rates, terms, credit rating)
2. Manage debt and investment portfolio risk based on market conditions, company policy, and/or government regulation
3. Evaluate and manage counterparty risk (e.g., supply chain, banks, brokers, dealers)
4. Develop and implement short-term borrowing strategies and procedures, including alternative financing methods (e.g., letters of credit, factoring, discounting, netting)

5. Develop and implement short-term investment strategies and procedures
6. Execute and report short-term borrowing transactions
7. Execute and report short-term investment transactions
8. Calculate, analyze, and evaluate financial ratios to optimize financial decision making

Domain 4. Capital Markets and Funding

1. Evaluate current market conditions (e.g., credit availability, spreads, interest rates, terms, risk) and company long-range forecast (e.g., new products, acquisitions, divestitures, capital expenses) related to long-term borrowing strategies
2. Evaluate current market conditions (e.g., spreads, interest rates, terms, risk, credit rating, ratio analysis) and company long-range forecast (e.g., new products, acquisitions, divestitures, capital expenses) related to long-term investment strategies
3. Develop and implement long-term borrowing strategies, including arranging financing and capitalization for operations and projects
4. Develop and implement long-term investment strategies
5. Execute and report long-term borrowing transactions
6. Execute and report long-term investment transactions

Domain 5. Treasury Operations and Controls

1. Evaluate, implement, and administer treasury management products, services, and systems (e.g., merchant services, treasury workstations)
2. Evaluate, implement, and administer treasury management functions and strategies (e.g., outsourcing, consolidation, payments)
3. Develop, maintain, and test business continuity plans (e.g., bank balance reporting process, funds transfer capabilities)
4. Identify, implement, and monitor operational risk prevention measures (e.g., fraud preventive tools, internal controls and procedures, cybersecurity, PCI compliance)
5. Prepare and maintain documentation (e.g., bank account, service agreements, resolutions, archiving information)
6. Monitor compliance with internal controls, debt and investment policies, covenants, regulatory requirements, and other legal agreements
7. Prepare and report treasury data to stakeholders (e.g., board of directors, financial services providers, accounting, operations, auditors)