CDFO-FM℠

Certification in Design Firm Financial Management



Your Path to Professional Growth and Achievement in A|E Financial Management

About SDA

The Organization Behind the Credential

For 65 years, SDA has been the leading professional organization for business professionals in the architectural, engineering, and construction industry. Our members direct critical areas of A|E|C firm operations—finance, human resources, operations, marketing, and project management—and take an active role in firm leadership across the United States and Canada.

SDA delivers value through education, certification, leadership development, and a community of peers who understand the unique demands of A|E|C practice. The CDFO-FM is the culmination of decades of advocacy for the financial professionals who keep design firms running.

OUR MISSION

SDA is the premier professional organization for A|E|C business and management leadership. We advance the people and processes that are the foundation of firm success.

OUR VISION

Providing community, professionalism, empowerment, and value—equipping members and their firms with the resources necessary to address the key issues facing the profession.

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Your Experience is the Foundation. The CDFO-FM sets the Standard

You manage cash flow, overhead recovery, and project billing for a firm where every dollar of utilization matters. You understand FAR compliance, DCAA audits, and the unique economics of professional services in ways a standard CPA exam never tests. You sit at the intersection of finance, operations, HR, project delivery, and firm strategy—and yet, until now, there has been no credential designed specifically for you.

The A|E|C industry has long demanded a level of financial expertise that general business credentials simply don't address. The nuances of design firm accounting—net revenue, multipliers, realization rates, government cost accounting, and internal equity valuation—require specialized knowledge that general accounting coursework doesn't teach.

The CDFO-FM changes that. Created by SDA—the organization that has served A|E|C business professionals for 65 years—this certification reflects the real complexity of financial leadership in architecture, engineering, and construction firms. It tests the full body of A|E|C financial knowledge, from FAR overhead to firm valuation. Preparing for it fills the gaps that years at a single firm can leave.

This is not just a credential. It is a designation—the only one of its kind in A|E|C financial management—and the people who earn it first will define what it means for the profession.

Why the CDFO-FM Exists

The A|E|C industry currently offers no accreditation in design firm financial management. Existing credentials—the CPA, CMA, and others—test general accounting competency but ignore the specific body of knowledge that A|E|C financial managers must master every day:

- Cost accounting structured around direct labor, overhead recovery, and reimbursables
- FAR compliance and DCAA audit preparation for government project work
- Net revenue calculations, multipliers, utilization rates, and A|E|C-specific KPIs
- Project financial monitoring tied to the triple constraint of scope, schedule, and fee
- Firm valuation, buy-sell agreements, and ownership transition mechanics
- HR and benefits administration through the lens of firm financial performance

The CDFO-FM was designed to close this gap—to give financial professionals in A|E|C a credential that speaks the language of their industry and sets a recognized standard for that expertise.

A Note to the Founding Class

Every great credential had a first class. The inaugural CDFO-FM cohort will be more than certificate recipients—they will be the professionals who establish what this designation means in the industry.

Being first carries real advantages. As the CDFO-FM gains recognition across A|E|C firms, those who earned the credential at its launch will have held it longest. They will be the practitioners peers turn to, the voices shaping how the certification evolves, and the proof of concept that makes the credential meaningful to future candidates and their employers.

The founding class is not taking a risk. They are staking a claim.

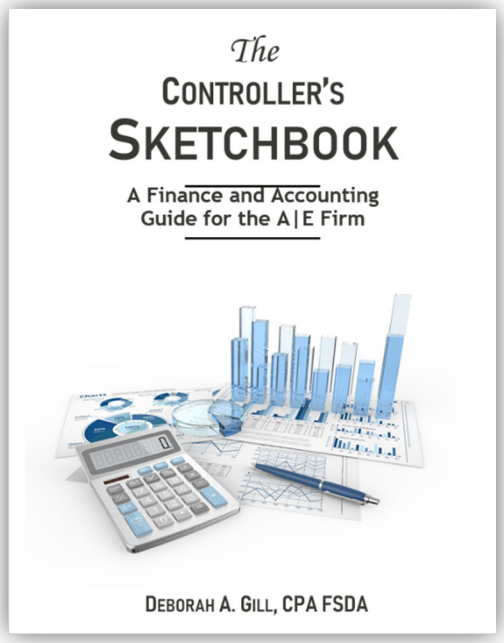
Who Should Apply

The CDFO-FM is designed for financial professionals in architecture, engineering, construction, landscape, land surveying, and interior design firms who are ready to demonstrate their expertise against a recognized standard.

- Do you manage financial operations for a design or engineering firm?
- Do you work with project accounting, overhead, and utilization metrics?
- Are you responsible for payroll, HR compliance, or benefits administration?
- Do you advise firm leadership on financial strategy, risk, or transition planning?
- Are you a Controller, CFO, Finance Director, or senior financial manager?

If you answered yes to most of these, the CDFO-FM was built for you.

International applicants from Canada and other countries are welcome. Note that significant portions of the Examination are grounded in US federal law and regulation.



A Note for Firm Principals and HR Leaders

If you are reading this on behalf of a financial manager on your team, consider what certification means for your firm—not just the individual.

For Your Firm

- A certified financial manager brings validated, structured expertise to your financial operations
- The CDFO-FM curriculum covers government contracting compliance, risk management, and firm valuation—areas where gaps are costly
- Certification signals to clients, lenders, and potential acquisition partners that your financial leadership meets a recognized professional standard
- Annual renewal requirements ensure your financial manager stays current

For Retention

- Investing in professional development signals organizational commitment
- Investing in credentials is a proven retention tool
- The CDFO-FM connects your team member to SDA's national network of A|E|C financial professionals
- Supporting certification positions your firm as one that values expertise and professional growth

Eligibility Requirements

The CDFO-FM has four components: experience, education prerequisites, an examination consisting of multiple-choice, short-answer, and case-study analysis questions, and successful completion of the CDFO accreditation process. Experience requirements scale with academic credentials:

Education Level	Required Experience in Design Industry
High School	10 years
Associate Degree	5 years
Bachelor's or Master's Degree	3 years

Education Prerequisites

All applicants must document at least 18 hours of coursework completed within the 5 years before the date of application, weighted, as indicated below, in the nine exam knowledge areas. Coursework must be interactive webinars or in-person sessions resulting in a certificate showing the organization's name, course title, date, hours, and completion status.

Knowledge Area	Section	Chapters	Hours	Key Topics Covered
Finance & Accounting	1	1-6	5	GAAP, financial statements, budgeting, key metrics, internal controls
Cost Accounting & Compliance	2	7-11	3	Project accounting, overhead, billing methods, taxes, audits
Payroll & Human Resources	3	12-21	3	Payroll, benefits, ERISA, FLSA, 401(k), independent contractors
Operations Management	4	22-25	1	Banking, leases, business entities, insurance
Marketing Management	5	26-28	1	Business development, marketing budgets, financial considerations
Business Management	6	29-31	1	Corporate structure, documents, entity types
Project Management	7	32-35	2	Fee estimating, budgeting, project monitoring, triple constraint
Risk Management	8	36-38	1	Contracts, administration, claims
Firm Transition	9	39-43	1	Valuation, buy-sell agreements, M&A, transition financing

The Examination

The Examination will be offered twice a year in spring and fall.

Format

- 100 multiple-choice questions
- Short answer & Matching questions
- Case study analysis
- Number of questions per chapter is based on the quantity of material covered in each one
- Minimum passing score: 75%

Scheduling

- Administered at each SDA EDSymposium (spring)
- Proctored exams also available during EDConnect (fall)
- Approved candidates must sit for the exam within 12 months of approval.
- Retesting available in your city with a designated proctor within 12 months of the initial exam

Study Resources Included

The examination fee includes an electronic version of the CDFO-FM Workbook that reinforces the study materials and tests your knowledge with practice questions drawn from *The Controller's Sketchbook: A Finance and Accounting Guide for the A|E Firm* by Deborah A. Gill, CPA FSDA.

The Controller's Sketchbook is available for separate purchase ($200) and serves as the primary study text for the Examination.

Study Workgroups

SDA hosts candidate workgroup sessions each spring and fall—peer-facilitated study sessions where candidates share notes, questions, and experiences to prepare for the exam. These workgroups are a meaningful advantage of being part of the SDA community during certification.

Sample Exam Questions

1. Cost Accounting & Compliance
Your indirect cost pool includes: $12,000 for client holiday gifts and entertainment; $40,000 in marketing staff salaries spent preparing proposals; $8,000 for the lobbying portion of association dues; and $25,000 for general liability insurance. Before you submit your FAR overhead rate, which costs must be removed?
a. Gifts/entertainment only
b. Gifts/entertainment, lobbying, and proposal salaries
c. Gifts/entertainment and the lobbying portion of dues
d. None. All are legitimate business expenses

2. Finance & Accounting
Your firm's net multiplier fell from 3.0 to 2.7 this year, but utilization held steady at 62%. What is the most likely cause?
a. Write-downs on fixed-fee projects that ran over budget
b. Overhead spending increased
c. More staff time was charged to marketing
d. Reimbursable expenses rose

3. Project Management
Midway through design, the client asks your team to add a parking study. The deadline is fixed. The project manager wants to fit it in at no extra charge to keep the client happy. What is the best response?
a. Absorb the work and compress the remaining schedule
b. Start the work now and bill for it at project closeout
c. Reduce effort on remaining tasks to offset the added hours
d. Agree to a fee and/or schedule change with the client before starting the added work

4. Finance & Accounting
Your income statement shows record profit, yet you're struggling to make payroll. What is the most likely explanation?
a. The overhead rate is too high
b. Receivables and unbilled work have grown significantly
c. Depreciation expense is unusually high
d. Utilization has dropped

Fees

Note: SDA membership costs less than the nonmember premium on the examination fee alone. If you are not yet a member, joining SDA before applying makes financial sense—and connects you to the community of A|E|C business professionals you will be working alongside throughout your career.

Fee Item	Amount
Application fee—SDA Members (non-refundable)	$100
Application fee—Nonmembers (non-refundable)	$150
Examination fee—SDA Members	$250
Examination fee—Nonmembers	$500
First retake (if needed)	No charge
Second retake (if needed)	$100
Annual renewal (lifelong learning affirmation)	$75/year
Total—SDA Members (application + exam)	$350
Total—Nonmembers (application + exam)	$650

Payment accepted by personal or organizational check (payable to SDA National), VISA, Mastercard, or American Express. Cash is not accepted. Applications are submitted online.

There is no deadline to apply. Take the first step when you're ready.

Maintaining Your Credential
Lifelong Learning

The CDFO-FM is built on the principle that expertise in A|E|C financial management is not static. Tax law, government contracting regulations, HR compliance, and firm valuation methodologies evolve—and so should you.

Certificate holders must complete 18 hours of continuing education each calendar year and submit an annual compliance affirmation, along with a $75 renewal fee, to SDA. All holders are subject to an annual random audit.

Answer Key: Sample Exam Questions (p.6)

1 – c. Entertainment, gifts and lobbying are unallowable under FAR 31.205-14, -13 and -22. Proposal preparation counts as bid-and-proposal cost, which is allowable (31.205-18).

2 – a. The net multiplier compares net revenue to direct labor, so write-downs that lower revenue on the same labor pull it down. Overhead spending (b) shows up in the overhead rate. Marketing time (c) would lower utilization, which didn't change. Reimbursables (d) are left out of net revenue.

3 – d. Scope, schedule and fee are linked, so adding scope means one of the other two has to give. Settling that before the work starts protects both the profit and the client relationship. Billing later (b) risks a dispute over work the client never approved, and cutting effort elsewhere (c) puts quality at risk.

4 – b. Revenue is recorded before cash is collected. Depreciation (c) is a non-cash expense, so it would leave you with more cash relative to profit, not less.

Your Path to Certification—Step by Step

1	**Attain your CDFO** All candidates must have attained the CDFO credential to apply.
2	**Complete prerequisite coursework** Attend the stipulated hours of qualifying coursework in each of the nine knowledge areas within the 5 years before you apply. SDA's online learning modules and podcasts are designed specifically to meet this requirement. For the first cohort, the webinars are free.
3	**Submit your application** Apply online at sdanational.org with your application form, college transcript or diploma (if applicable), and payment. SDA HQ reviews applications to confirm eligibility.
4	**Receive your study materials** Upon approval, SDA will send you an electronic CDFO-FM Workbook and a practice exam. Allow at least three months for dedicated preparation before scheduling your exam. Purchase your copy of *The Controller's Sketchbook* on the SDA marketplace.
5	**Sit for the Examination** Take the proctored exam at an SDA EDSymposium (spring), EDConnect (fall) conference, or an approved testing session in your city. Score 75% or higher to pass.
6	**Earn your designation** Receive your CDFO-FM certificate. Use the designation on your business card, email signature, and LinkedIn profile. **You are now part of the founding cohort of certified A|E|C financial managers**.
7	**Maintain your credential** Complete 18 hours of continuing education annually and submit your renewal affirmation with the $75 administrative fee. SDA programming counts toward this requirement. Because every CDFO-FM holder also holds the CDFO, one 18-hour requirement satisfies both credentials.

Apply and Contacts

How to Apply

Applications are available on the SDA website sdanational.org. Your complete application packet must include:

- Completed and signed application form (online)
- Affirmation of fulfillment of education requirements
- Coursework certificates document 18 qualifying hours completed within 5 years of your application date (upload)
- College transcript or diploma copy (if applicable) (upload)
- Payment of applicable fees