



The Heart of Financial Planning™

2006 Report to Members

2006: A Vintage Year for FPA

A Conversation with Dan Moisand, CFP®

2006 FPA® President

A major theme of 2006 was . . . “Growth of our advocacy efforts, which has many faces. Part of it is government relations, part is lobbying to influence rulemaking, and a large part of it is working with the media and boosting awareness of financial planning. We had a tremendous amount of press coverage in 2006. FPA is regularly being tapped as a valuable resource and the media is seeking out experts, quoting our members, responding to story ideas. The real value is helping the media and the public understand what financial planning is all about.”

Our expectations on the legal challenge to the SEC were . . . “Mixed. Going into the lawsuit, we had plenty of expert opinions on our chances for winning. None told us we were crazy and none said it was a lock to win. By the end of 2006, I can’t say I really *expected* either decision.”

Outreach to major firms during 2006 was . . . “Beginning to take better shape, especially at our second major firms meeting, held at FPA Nashville. We’re reaching further into many firms, trying to help them better support their planners. Not all ‘large’ firms are the same – each has some unique need. I think the dialogue we opened in 2005 and continued in 2006 and 2007 is extremely constructive. There are many professionals in large firms that are both willing and capable of meeting the standards FPA has been advocating.”

The work of the FPA Task Force on Regulation in 2006 was . . . “A thorough and thoughtful examination of the regulatory landscape. The task force identified the conditions that it felt need to exist for a proper regulatory structure, calling for financial planning to be regulated on its own merits, not on its subsets, and requiring fiduciary duty. It’s a tremendous set of guidelines for looking to the future.”

The one thing I wish I’d known when I began my year as President is . . . “How fantastic the experience would be. But it’s a temporary job – you’re entrusted with the work of the previous president and board, the staff, and chapter leaders and you entrust it to the next group. It’s not about one person – the work of FPA needs all of us. I believe you will feel that strongly when you read in this annual report about *your* accomplishments and initiatives in 2006 and 2007.”

January

FPA announced the relocation of its 2006 annual conference from hurricane-devastated New Orleans to the Gaylord Opryland Resort and Convention Center in Nashville, Tenn. FPA continued its Hurricane Relief Center, funded through a grant from the Foundation for Financial Planning.

FPA voiced support for the International Organization for Standardization's (ISO) first standard for personal financial planners, published in late 2005, while noting ongoing concerns about the standard allowing planners to self-declare compliance.

FPA's National Financial Planning Support Center received a \$244,865 grant from the Foundation of Financial Planning to support FPA's pro bono financial planning programs.

February

To celebrate its 25th anniversary, the *Journal of Financial Planning* released a commemorative CD-ROM, *Best of 25 Years of Journal of Financial Planning*.

FPA's updated Investment Adviser Compliance Manual Template helps financial planners create written compliance policy manuals required by the SEC.

Executive Director/CEO Marvin W. Tuttle, Jr., CAE, is appointed to the Advisory Panel on Medicare Education, an advisory group to the Secretary of the Department of Health & Human Services and the Administrator of the Centers for Medicare & Medicaid Services.

FPA and the National Endowment for Financial Education® (NEFE®) collaborate on a new Web site for the public, *Life Events & Financial Decisions*.

March

FPA Business Solutions 2006, FPA's inaugural conference on advanced business management, attracted 297 attendees.

A study funded by American Red Cross concluded that FPA's pro bono financial planning services offered to victims of the 9/11 terrorist attacks constituted a "national service by filling a genuine void."

In its lawsuit against the SEC over the Broker-Dealer Rule, FPA filed a brief in federal court, saying that the SEC improperly created a new exemption for the brokerage industry that defies congressional intent and puts the investing public at risk.

April

The FPA Alliance Program launched, providing a way to recognize firms that publicly commit to FPA's Principles of Professionalism for advancing the financial planning profession and the value of financial planning to the public.

Lincoln Financial Advisors became the first firm recognized under the FPA Alliance Program.

President Daniel B. Moisand, CFP®, expressed shock after House Government Reform Committee hearings and a related General Accountability Office report document the financial victimization of injured soldiers returning from Iraq and Afghanistan.

May

FPA Retreat 2006, May 4–7, in Scottsdale, Ariz., drew 552 attendees.

FPA announces plans to host first-ever NexGen Conference, designed for future leaders of the profession, August 18-20 in Estes Park, Colo.

FPA and Aetna release national survey results that find college graduates likely to fall through gaps in health insurance coverage.

FPA Press releases its newest book, *Conserving Client Portfolios During Retirement*, by Bill Bengen, CFP®.

June

The study *2006 FPA Financial Advisers' Attitudes and Perceptions about the Retirement Income Distribution Market*, sponsored by OppenheimerFunds Inc. and produced by the Diversified Services Group Inc., found that financial planners might need to reconsider their current business model in order to meet the needs of the growing and diverse aging population

The new online FPA Career Center helped individuals search for jobs in financial planning, as well as those looking to hire new employees.

The FPA Regulation Task Force recommended reforms including uniform regulation of financial planners (regardless of their exact titles), a fiduciary standard, and oversight by an agency with power to enforce ethical and honest behavior.

FPA's first conference on pro bono financial planning took place June 23–24 in Tysons Corner, Va.

FPA and the American Pharmacists Association™ (APhA) announced a joint effort to help new pharmacy practitioners discover the value of financial planning by incorporating financial literacy into APhA educational programs.

July

FPA President Daniel B. Moisand, CFP®, expressed concerns regarding proposed changes to CFP Board's Code of Ethics and Professional Responsibility, including a provision that might let CFP® certificants opt out of fiduciary responsibilities under certain circumstances.

Dallas planner Bill Carter, CFP®, ChFC, CLU, is announced as the recipient of the 2006 P. Kemp Fain Jr., Award.

August

FPA joined forces with industry leader McLagan Partners to launch the FPA Practice Management Scorecard to help independent financial advisory practices improve business performance by benchmarking their businesses against similar firms in their areas.

FPA President Daniel B. Moisand, CFP®, wrote 29 state lawmakers, urging support for legislation to broaden tax deductions under their states' 529 college savings plans to align more closely with the plans of other states.

The *Journal of Financial Planning* received a Gold Circle Award from the American Society of Association Executives (ASAE) for the best peer-reviewed journal and an Award of Excellence in the 2006 Awards for Publication Excellence Competition (APEX) for best redesign.

FPA Press, the FPA publishing arm, released *Financial Planning — The Next Step: Merging Your Clients' Money With Their Lives*, by Roy Diliberto, CFP®. The book takes a practical look at how to integrate life planning into a practice.

FPA NexGen 2006: A Communities of Practice Conference, FPA's affordable, content-rich conference for the up-and-coming generation of the financial planning profession, drew 113 attendees during its inaugural year.

Winning research papers of the 2006 Financial Frontiers Awards, sponsored by FPA and Janus INTECH, include "Optimal Withdrawal Strategies for Retirees with Multiple Savings Accounts," by Stephen Horan, Ph.D., CFA; "Risk Management for the Family: The Desirability of Long-Term Care Insurance," by Joel Gold, Ph.D., CFP®; John Herald, and David VanderLinden; and "Optimal Rebalancing Frequency for Stock-Bond Portfolios," by William Desormeau Jr., and David Smith, Ph.D., CFA.

September

In formal comments to CFP Board, FPA expressed concern about the lack of transparency employed in developing proposed changes to CFP Board's code of ethics — changes FPA believes could weaken consumer protections.

FPA announced winners of its first Heart of Financial Planning Distinguished Service Awards: George Kinder, CFP®; Ross Levin, CFP®; Gary A. Morris, CFP®, CLU, AEP; Nancy Schwartzmiller; Bonnie Stanley; Bob Veres; the firm of Blankinship and Foster;; FPA of New York's Pro Bono Committee; and Scott Fithian, CLU, ChFC (awarded posthumously).

Aetna and FPA team up with Wiley Publishing to offer free copies of *Navigating Your Health Benefits For Dummies®*, the first **For Dummies®** guide that provides the general public a new way to make informed decisions about health benefits.

October

House Resolution 973, sponsored by Rep. Ruben Hinojosa (D - TX) and Judy Biggert (R - IL), expressed the support of the 109th Congress for Financial Planning Week™, Oct. 2-8, 2006.

The National Association of Women Business Owners® (NAWBO®) and FPA announced their continuing joint efforts to educate women entrepreneurs by incorporating financial literacy into educational programs for NAWBO's 8,000 members across the country.

FPA Nashville 2006 hosted 2,025 attendees in educational sessions structured along eight highly focused tracks.

FPA's 2006 president, Daniel B. Moisand, CFP®, appears on morning news shows across the country reaching millions of consumers with a financial planning message.

November

In a letter to the Massachusetts Securities Division, FPA endorsed a proposal to prohibit financial services professionals from using misleading professional designations.

Three award-winning papers arrived at some surprising conclusions in the November 2006 issue of *Journal of Financial Planning*, which published the winning research papers from the Financial Frontiers Awards, jointly produced by Janus INTECH and FPA.

In a six-week series, *USA TODAY* and ABC News explored the issue of being “Young & In Debt” and linked five young people with FPA members for advice on how to manage debt.

The Encyclopedia of Financial Planning— What You Need to Know About Money from the Nation’s Leading Financial Planners, compiled decades of articles into an unbiased FPA reference source for consumers.

December

FPA’s Virtual Learning Center (VLC) offered a series of its highest-quality seminars from throughout 2006, on diverse topics including retirement, leadership, business ethics, RIA compliance and reviewing estate planning documents.

For 2006, FPA Career Center offered 866 job postings, 862 job seekers, 988 applications completed, 562 resumes posted and 605 registered employers.

Audited Financial Statements

View the Financial Planning Association’s audited financial statements at <http://www.FPAnet.org/member/about/who/AnnualReports.cfm>.

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