

# *Annual Report to Members: 2008*



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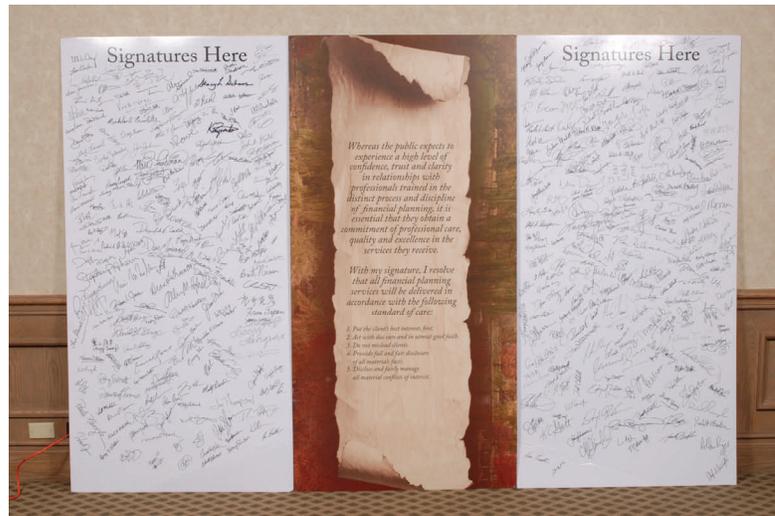
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# Introduction

## New Standards

We:  
*Set them*  
*Discuss them*  
*Live them*

**We even sign our names to them.**



## FPA Primary Aim

FPA is the community that fosters the value of financial planning and advances the financial planning profession.

## FPA Core Values

At FPA, our Core Values represent who we are. They describe our intended state of being. They are so integral to our being that we would not abandon them even if we were penalized for holding them. We want to attract as members those who share our values:

### **Competence**

Our dedication to competence requires not only lifelong learning, but also that we continually assess our ability to appropriately and effectively address the needs of those we serve.

### **Integrity**

We strive to have ever more congruence between our words and deeds, and to deliver genuine value to those whom we serve.

### **Relationships**

We are committed to open, inclusive and respectful relationships, including collaboration among diverse parties on common interests.

### **Stewardship**

We recognize our responsibility to act with vision, ever mindful of the effects of our actions today and tomorrow on the future.

## A Letter from FPA's Executive Director/CEO

Dear Colleagues:

If a standard is *something that serves as a basis of value, comparison, or judgment, of recognized excellence or established authority, an approved model...* then 2008 was a year that FPA set many standards in many ways through the actions of many people. Members, staff, Board, alliance partners, chapter leadership — together, we set new standards in governance, relationships, guiding principles, member services, and crisis response.

In January 2008, we had no way of anticipating the challenges that would come our way in the year ahead. We couldn't know that we would all be tested through the most severe economic and markets disruption we could ever imagine. What we did know was that we would focus in 2008 on a new Standard of Care, new best practices designed to help practitioners live in a world with higher and greater expectations from those whom we serve, new and reestablished alliances and the opportunities those would bring to FPA, new outreach to consumers, and a new technology-driven member experience. And we now know that we not only can survive during times of crisis, we can develop and live by new standards that strengthen us for the next test.



I'd like to share with you some of the highlights of our year.

- In October 2008, FPA created the Crisis Resource Center in response to unprecedented events taking place in the global markets. As the financial planning community gathered in Boston for our annual conference, we sprung to action to ensure the needs of our members — and subsequently their clients — were met during a time of great angst and uncertainty. FPA takes great pride in our ability to mobilize our actions quickly in a time of crisis.
- We developed an alliance with the Academy of Financial Services to bring the academic community closer to the profession for purposes building of career paths, research and validation. Our relationship enhancement focus also included stronger outreach to federal and state regulators and elected officials, allied associations, and other non-profits, such as the Consumer Federation of America and AARP.
- The new FPA Web site launched in June, with strong enhancements to the member, consumer, and *Journal of Financial Planning* experiences and capabilities.
- Our focus on governance and leadership development — at all levels — took the form of heightened emphasis on leadership training for all levels of the organization, including national board, national staff, and our 98 chapters. We also began conversations with the membership at large on proposed initiatives to strengthen our communications and transparency to members and other key constituencies impacted by FPA actions.
- The value of a financial planning relationship was proved by the results of “FPA and Ameriprise Value of Financial Planning,” our first national survey, conducted by Harris Interactive in the summer of 2008.

The final quarter of 2008 brought the country to a point of financial crisis — and FPA to a new standard on how to respond to such a crisis. We pulled together as a community of professionals with strong and long-held experiences, beliefs and perspectives on how to maintain confidence and clarity in turbulent times, shared best practices and encouragement with each other, and discussed how we could best put our arms around your clients — and each other.

As the year came to a close, FPA focused on developing stronger relationships with allied organizations that are aligned with our primary aim and message. We agreed to form a coalition with CFP Board and NAPFA to determine how financial planning and financial planners might best be considered in expected financial services regulatory reform discussions.

In these and other events of 2008, you and FPA together exhibited excellence in our standards, improving the quality of what we have to offer each other, clients, and our society.

Sincerely,

A handwritten signature in black ink, appearing to read "Marvin W. Tuttle, Jr.", with a long horizontal flourish extending to the right.

Marvin W. Tuttle, Jr., CAE  
Executive Director/CEO

## A Message from FPA's 2008 President

Scene: Boston, October 8, 5:00 a.m. Preparing to leave the Westin hotel after the conclusion of FPA Boston 2008. It was clear that this would not just be an extraordinary day in an extraordinary week. It would turn out to be Day One of some of the finest and most important work that FPA leaders and members have ever put forth.

By the time I checked the news at 5:00 a.m., the Indonesian stock market had already halted trading after a one-day drop of 10 percent. World markets were all falling precipitously. In fact, it was “black week” – a relentless pummeling of global stock markets resulted in an 18 percent drop in the Dow Jones Industrial Average and a 20 percent drop in the S&P 500, with the markets closing lower in five out of five sessions and seeing record-breaking volume. Only days later, on October 11, the head of the IMF warned that the world financial system was teetering on “the brink of systemic meltdown.”

Within hours of an e-mail exchange with FPA's executive director and CEO, Marv Tuttle, senior staff at FPA had gathered to begin a response to what we all now know as a major economic and financial crisis that has continued into 2009. The drill was uncomfortably familiar: FPA was building on its response to September 11, 2001, when the National Financial Planning Support Center was born in the aftermath of that tragedy. The most urgent question on our minds was, “How should we respond to reflect the larger purpose of FPA – to be the community that fosters the value of financial planning?”



By Tuesday, October 14, the community came together – 500 planners were on the first of many conference calls that marked the birth of the Financial Crisis Resource Center. Part group therapy and part knowledge base, the calls and other crisis activities were a bridge for planners to come together in their community. In the following days and weeks, dialogue began in Community Forums, resources for planners and their clients were gathered and posted, Virtual Learning Center sessions were arranged and FPA ran a full-page ad in *USA TODAY* that lent assurance and direction to American consumers.

At the beginning of my year as your president, the board adopted the theme of relationships and possibilities – to be *open to possibilities through relationships*. Our agenda for 2008 reflected that as we undertook important work on practitioner best practices, a new standard of care, enhanced governance and leadership development, and newly strengthened relationships with allied organizations. The board and staff supported this theme in ways I couldn't have imagined – including addressing events none of us thought possible when 2008 began.

All of us have been tested. The Financial Crisis Resource Center is *your* legacy from a year of relationships and possibilities.

As you read this 2008 report to members, I hope you will focus on the new standards FPA set, discussed and lived. We have many reasons to be proud.

A handwritten signature in black ink, reading "Mark E. Johannessen". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Mark E. Johannessen, CFP®  
2008 FPA President

## 2008 Board of Directors

**Mark. E. Johannessen, CFP®**

*President*

Harris SBSB  
McLean, Virginia

**Richard Salmen, CFP®, CFA, CTFA, EA**

*President-elect*

GTrust  
Overland Park, Kansas

**Nicholas A. Nicolette, CFP®**

*Chair*

Sterling Financial Group  
Sparta, New Jersey

**Paul H. Auslander, CFP®**

American Financial Advisors  
Orlando, Florida

**Lee A. Baker, CFP®**

Apex Financial Services  
Tucker, Georgia

**Susan Bradley, CFP®**

Sudden Money Institute  
Palm Beach Gardens, Florida

**Mike Busch, CFP®, CPA, CEBS**

Vogel Financial Advisors, LLC  
Dallas, Texas

**Bonnie Hughes**

The Enrichment Group  
Miami, Florida

**Tom L. Potts, Ph.D, CFP®**

Baylor University  
Waco, Texas

**Steve D. Johnson, CFP®**

Johnson Marotta  
Palo Alto, California

**Stacy Leigh Schaus, CFP®**

PIMCO  
Newport Beach, California

**Deena B. Katz, CFP®**

Texas Tech University  
Lubbock, Texas

**Karin Maloney Stifler, CFP®**

True Wealth Advisors, LLC  
Hudson, Ohio

**Bill Moran, CFP®**

Ameriprise Financial  
Minneapolis, Minnesota

**Ken Ziesenheim, CFP®, J.D., LL.M., AIFA®**

Sebring, Florida

## 2008 Executive Board Roundtable Discussion

### “The Possibilities of Relationships, the Relationships of Possibilities”

*“Man is so made that when anything fires his soul, impossibilities vanish.”  
Jean de la Fontaine, 1621–1695*

#### FPA Executive Board:

**Marv Tuttle — FPA Executive Director/CEO**

**Mark Johannessen — 2008 President**

**Nick Nicolette — 2008 Chair**

**Richard Salmen — 2008 President-elect**

**Tom Potts — 2009 President-elect**

#### **Q. Talk about the focus of the Board's work in 2008.**

**Nicolette:** Our focus has been on becoming a stronger Board representative of the profession. Each year, our work builds on the work of the previous year's Board — we're never starting anew. I agree with Marv that the alliance with CFP Board and NAPFA is a shining example of a Board focused on its mission. Last year, we moved from a strategy-setting to being more tactical. The executive committee set concrete goals and we identified who would do what — we used a very systematic process that included revisiting and fine tuning our tactical plans in mid-year.

**Tuttle:** The Board did a really good job in 2008 of “working on itself.” One example of that is the nominating committee – it continues to build on its ability to attract new leadership and continually assesses its process for understanding the types of members we serve and to make sure the Board reflects the composite of FPA. So succession planning was a major focus, as was self-evaluation and performance feedback. The Board also spent time working on how it wants to be seen by our members. That led to the proposed new Transparency Policy, which says “Here are the things we believe membership should be aware of *in real time* and here's how we communicate that to you.”

#### **Q. Provide us an overview of 2008 as far as goals and accomplishments are concerned.**

**Tuttle:** I'm very proud of our Board's efforts to step up and serve our profession last year. We re-engaged with organizations like CFP Board and are building a much stronger relationship. Our coalition with CFP Board and NAPFA is a first for our profession and, moving forward, I believe it will help financial planning get its rightful place in regulation policy. That will also support consumer protection efforts. Our alliance with the Academy of Financial Services is also a highlight and it goes without saying that through our best practices task force, and by working with CFP Board, we did some tremendous work on what it will mean to live and work in a fiduciary world. Alliances were critical to our work in 2008.

**Johannessen:** I wanted my term as president to be about the possibilities of relationships and vice versa. We knew in 2008, that in 2009 we faced the possibility of a change of regulation, so we used it as an opportunity to build new relationships and strengthen others. The worst time to be “asking” for something is when you need it. In every crisis, and we certainly had a big one in 2008, there's opportunity — we're seeing that right now.

**Q. What was the goal for the member experience in 2008? Obviously, it may have been different at the beginning of the year than after the events of the last four months of the year.**

**Tuttle:** I'll share two examples. We've been very focused on the technology equation for FPA — we want to be a better, more data-driven organization so that decisions we make are based on data and input from and about our members. The launch of our revamped Web site in June was huge. This was a tremendous amount of work by many people and it has major improvements over our old site. And it's not finished yet — we launch the new PlannerSearch® function at the end of March 2009. We also used technology to pull together a tremendous number of resources and tools into the new Financial Crisis Resource Center. We knew our members were suffering in terms of the health of their businesses and the need to care for their clients. It will be a sustained effort through 2009. In my 25 years of service to this profession, I don't think I've seen anything as fine as this organization's members and staff pulling together to be responsive during such an emotional and volatile time.



**Q. What about service to and care of FPA Institutional Members?**

**Johannessen:** In 2008 we added a regional symposium for our major firms. The national symposium began in 2005; last year we had the highest attendance of any year. We're making every effort to make sure our corporate members know they're part of our community. There's an important place and role for them at FPA. If this is like past economic downturns, they'll turn to FPA for education and training for their staff and advisor groups. Rightly or wrongly, that's likely to be an area that they'll cut when budgets are tight. If we can bring their planners to higher levels of education and knowledge, we will deliver on our relationship with them. I'd like more of them to call on us for help in that area.

**Q. What were your expectations for the FPA and Ameriprise "Value of Financial Planning" study? Were there any big surprises in the results?**

**Tuttle:** It was past time for us to use research to measure the benefits of financial planning to its users and use that as a benchmark. At the time the survey was done, June and July of 2008, financial conditions were not great, but they certainly weren't as bad as they became later in the year.

**Johannessen:** The results about "confidence in my future" might be even more dramatic had the survey been done in the fourth quarter. But, even against the backdrop of oil at \$150 a barrel and the market down 20 percent from its high, those in the study who participate in the planning process were overwhelmingly more confident about their own situation, understanding the economy, and where they stand in the world because of their financial plan. This study didn't reach out only to the high net worth client — the threshold was \$50,000 in net worth and an annual income of \$50,000 or more. What was disheartening was that only 9 percent of the population surveyed was engaged in a formal financial planning relationship. That's a great opportunity — and a lot of work for us. What's scary is to think how the results might be today for the 90 percent who are not advised or self-advised. As a practitioner, I've used the results of the study as a reminder to lean on the financial planning process to help clients, and myself, get through this financial crisis.

***Q. What do members need to know about the development of the Standard of Care?***

**Nicolette:** First, that it was the culmination of Board work during the last six years, the entire time I've served. I'm going out on a limb and saying this is FPA at its finest. As planners, we know we serve our clients in a fiduciary capacity, but there was very little guidance on what that really means. We now have a clear definition of what it means and what it means to a growing profession. Our goal was to learn how to forward a message on the distinct way we live as fiduciaries and also a short and compelling message to the public: this is how a CFP® professional works with you and how you can measure him or her. I like to think we're living in a "no surprises" environment — we certainly discuss all possibilities with our clients, and there are many things out of our control, but clients shouldn't be surprised about whether we're disclosing, revealing, and putting their interests first.

**Potts:** "Do not mislead" is all about intent. We can't be perfect, but we do have a commitment to ethical behavior.

**Johannessen:** When we announced the Standard of Care on October 6, 2008, I'm confident that the 3,500 attendees at FPA Boston 2008 heard the message loudly and clearly; however, the world was a little crazy in October. A major part of our work in 2009 will be to get more traction with communicating the Standard to the public and working with our members to help them "live it." The new Standard will also serve our discussions with regulators and those on Capitol Hill. We want to be able to say very clearly, "This is how a true financial professional lives and acts."

***Q. What is the significance of the new coalition among FPA, CFP Board and NAPFA?***

**Nicolette:** It's a bridge to future possibilities. Pulling this group together gives us more clarity on what it means to be a recognized profession. Our discussions around the coalition led to a lot of strong work within the Board, among staff and in chapters. It says we're willing to have the courage to move forward, raise the bar and gain a sense of our own strength. To do that meant we needed to be clear about our voice, who we are and what we stand for, and align with those who share that vision.

***Q. To new leaders Richard and Tom, what can members expect from FPA in 2009?***

**Salmen:** Marv has coined the term "membership triage," and the Board will focus on short- and mid-term priorities to address that. We must be completely sensitive to what our members are facing and be there for them. A large part of our focus in 2009 will be on our consumer initiative, especially how to connect individuals with qualified and ethical planners through PlannerSearch. We also want to have a sharper focus on helping our chapters be more successful. And, I have no doubt that regulation and its possible major restructuring will take center stage in 2009. We're ready to be part of that debate. Given the economic downturn, we also will be very focused on prudently managing our financial resources. A viable organization must be fiscally healthy.

**Potts:** We'll put a very sharp focus on the greatest value proposition we can provide to members. All stakeholders need our attention — serving the public, becoming a resource for policymakers and regulators and strengthening our services to the corporate world. A big role for FPA will be financial literacy and helping consumers understand and find ethical planners.

**Nicolette:** After six years on the Board, I'm now stepping back in to my members' shoes and will give you that perspective. I have great confidence in the leadership FPA has in place — the Board, the executive committee and the staff. It gives me comfort to see how we'll grow and lead as an organization with a vital place in our society.

## Setting Standards: A Crisis, A Response, A Standard You Expect

And a new standard of care for your clients — during the crisis, and in life after.

We began 2008 with a mission to fulfill the work of the FPA Fiduciary Task Force, taking its 2007 recommendations and bringing them to life: how to bring clarity to the question, “What role does ‘fiduciary’ play in living as a financial planning professional?” We ended the year with the turmoil of a bear market, bad banks and a bailout, along with a new president who promises “Yes, we can.”

It was a year most will not soon forget. FPA members will remember it for the high mark of a new Standard of Care — strengthening the profession, providing a touchstone for clients and aligning with the revised Standards of Professional Conduct from CFP Board. It’s short, simple and clear:

*All financial planning services will be delivered in accordance with the following standard of care:*

- *Put the client’s best interests first*
- *Act with due care and in utmost good faith*
- *Do not mislead clients*
- *Provide full and fair disclosure of all material facts*
- *Disclose and fairly manage all material conflicts of interest*

For FPA members, the Standard is clear: we believe that you are a fiduciary, regardless of business model, method of compensation or professional designation. For the public, the Standard is meant to be unambiguous and without exception. For other groups with which we’re aligned and with which we worked during the development process, and for regulatory bodies that will debate reform, the Standard is the known FPA “bright line.”

The October 2008 release of the new Standard of Care coincided with the growing financial crisis. FPA and its members stepped forward and came together, setting a new standard for how a community of professionals responds to unexpected events. On October 13, FPA announced it would host two member conference calls on the crisis and how to best serve clients during a turbulent time. Less than a day later, the first call – with 500+ on the line – took place. Dialogue also began in FPA’s Community Forums. The [Financial Crisis Resource Center](#) was set up, with resources from FPA members (client communications), special *Financial Planning Perspectives* articles, a summary of the Emergency Economic Stabilization Act, an economic update from FPA Boston 2008, Virtual Learning Center (VLC) sessions, comment letters to the SEC and the Treasury Department, a consumer-oriented ad in *USA TODAY* with a link to FPA’s consumer site, links to discussions on FPA’s Facebook page and numerous articles from the *Journal of Financial Planning* and *Practice Management Solutions*.

As 2008 ended, FPA leadership prepared to use the strength of its new professional coalition to prepare for the likelihood that Congress will undertake a top-to-bottom review of financial services regulation. Formed in December 2008, the coalition of FPA, CFP Board and NAPFA represents a new standard of *aligning with others that share common interests and common goals*. This significant step of strengthening ties with CFP Board and NAPFA is critical to FPA’s goals of advocacy on behalf of both planners and consumers. For you, our members, the coalition will help address key issues anticipated in the debate over regulatory reform: What kind of say do planners want? How can we ensure that regulation recognizes financial planning delivered under an unambiguous standard of care? How do we influence the shift to values-based regulation versus compliance-based regulation? For consumers, the coalition will help ensure that our profession can become the standard-bearer for providing financial literacy, effective methodologies and guidance to make sound financial decisions. We didn’t create the financial crisis, but we want to make sure we’re part of the process to find a *solution* to it.

[Go](#) to the Financial Crisis Resource Center to access all the tools  
[Read](#) the full Statement of Understanding among FPA, CFP Board, and NAPFA.  
[Join](#) the regulatory reform online discussion.  
[Visit](#) the Facebook discussion page.

## Discussing Standards: *From the Words of Those Who Live Them*

Your fellow members tell the story best.

“There are two distinct elements to this crisis — the enormous stress created for clients and their need to turn to us, and the stress that we as planners are feeling. I think we all discovered the limits of our endurance pretty quickly. What I expected from FPA was exactly what they delivered — recognition of the dual nature of the crisis and reaching out to both planners and consumers. It created a feeling of a larger community — we’re not alone out there, we need each other at times like this. One of our goals on the conference calls [hosted by FPA] was to validate our process, to remind ourselves of the strength of our foundations. The value of FPA membership really comes to the forefront at a time like this.”

*Dave Yeske, CFP®*

“As a national organization, we’re spread all over the place. During this crisis every planner, from those like me with 35 people in our firm, to the solo practitioner, needs to talk through things. We need others’ arms around us at the same time we’re putting our arms around our clients. For all of us, this business is now going to be both harder and easier. Harder in that we all have to take a good look at how our businesses are structured to get through rough times. Easier in that comprehensive planning has been validated. The world will offer a lot of questionable solutions for people who are really vulnerable right now. FPA showed great sensitivity and leadership in bringing together people and resources during some very dark days.”

*Ross Levin, CFP®*

“Even veteran planners have not experienced anything like this current financial crisis. For younger planners, including me, the community of FPA planners provides needed perspective. You reach out and find information from those you know and trust. FPA really used technology to pull this together. The conversation spaces — conference calls and online discussion forums — were a real rallying point.”

*Michael Kitces, CFP®*

“We had just come from FPA Boston, where we spent every evening standing in the hotel lobby watching the horror play out on television. When 500 planners came together on a conference call less than two weeks later, it was obvious that ‘connection’ was something people needed badly. One of the biggest benefits of the discussions was hearing some hard facts and real data about markets and post-crisis performance from some of the very experienced planners on the calls. It’s also wonderful to see the excellent client communications shared by other planners. It reminds me what an amazingly ‘giving’ profession this is.”

*Elissa Buie, CFP®*

## Living Standards: *It's A Brave New World*

What does the new Standard of Care mean to you? What will it mean to your clients? How can you understand the nuances of living in a fiduciary world?

In June 2008, FPA launched a Best Practices Task Force to develop materials to help firms both large and small comply with the new CFP Board Standards of Conduct, effective January 1, 2009. Eighteen experienced planners, led by chair Rick Adkins, CFP®, approached their work from a “scenario” perspective — applying the new, higher standards of fiduciary care to all service scenarios, including specific transactions, that planners and clients might be engaged in. From these scenarios, the task force developed checklists of compliance requirements to serve clients. The final nine best practices tools anticipate *the fact pattern in a given engagement* — scope of services, disclosures, material elements and other responsibilities.

Reflecting our commitment to work collaboratively and closely with CFP Board, FPA invited a board member from CFP Board to join the task force and review the best practices documents to test for consistency with their new Standards of Conduct.

Living our new standards reflects the significant shift in the larger world. Duane Thompson, managing director of FPA’s Washington, D.C., office, characterizes it as moving toward the endpoint of an ongoing struggle: “We’re moving into a fiduciary world, although just a few years ago we couldn’t imagine that and it wasn’t politically feasible. Now we’re seeing more people embrace it, and with a fervor. There certainly are organizations and firms that will continue to raise concerns about liability in a fiduciary world, but there’s a greater willingness to step up to the plate and acknowledge that accepting the principle of fiduciary care is part of financial planning’s evolution into a true profession.”

FPA also has a fiduciary responsibility: you. We committed in 2008 to set a new standard for fostering trust with members and communicating more clearly about finances, strategic direction, and governance. In November, we released an exposure draft of our new proposed Transparency Policy. *You* are the owners and financial stakeholders in the continued success of our organization. *We* accept our accountability to you. The Transparency Policy will include detailed, timely information on Board meeting agendas, key Board actions, the fiscal year budget, updates to bylaws and articles of incorporation and volunteer policies, among other things. Leadership in setting standards mandates that we set, discuss and live the standards for accountability to our members.

[Use](#) the Best Practices tools.

[Read](#) the Transparency Policy draft.

[Join](#) the discussion on living new fiduciary standards.

## Sharing Standards: *From YouTube to USA TODAY*

Much is online at FPA.net. You can also find it on Facebook and YouTube, in convention halls, “virtual” classrooms, and regulatory agencies, and under the trees. And in *USA TODAY*, *U.S. News and World Report*, *The Wall Street Journal*, our own *Journal of Financial Planning* and *Practice Management Solutions* magazine, and dozens of other national publications and online media.

Each of these venues featured FPA and its members discussing the value of financial planning, the role you play in Americans’ lives – and the standards by which you live – and the opportunities for the profession to contribute to our society and our world.

The accomplishments speak for themselves:

- FPA’s first national consumer survey, the FPA and Ameriprise “Value of Financial Planning Study,” was released in October 2008.
- Thirteen million readers of *Ladies’ Home Journal* learned about the depth of information in the *Journal of Financial Planning*.
- *Parade* magazine’s 71 million readers learned of the consumer resources available on the FPA Web site.
- Two million readers of *The Wall Street Journal* read about financial planning myths debunked.
- *Sky Radio* talked to 2008 FPA president Mark Johannessen.
- *USA TODAY* offered a page one article about financial planning and FPA to its 2.25 million readers.
- In April 2008, FPA stories reached an audience of 12 million readers through 335 print publications; in June, it was 8.9 million readers through 125 print publications.
- In August, FPA members participated in *USA TODAY*’s “Frugal Family Challenge.”
- During Retreat in May, FPA members participated in discussions with investment guru and author John Bogle on long-term changes in financial services, Wharton’s Thomas Donaldson on ethics and philosophy professor Jacob Needleman on the quest for money and meaning.
- In October, 3,500 attendees had hallway and exhibit space discussions at FPA Boston 2008 and ABC News turned to FPA members for viewers’ personal finance concerns during the financial crisis.
- In December, New York mayor Michael Bloomberg turned to members in the New York chapter for help with “Your Money Helpline.”

FPA’s outreach to media in 2008 addressed topics from the health of planners to a new financial planning guide for Hispanics and Latinos to communication issues in life planning. A commitment to developing and nurturing long-term relationships with journalists pays off.

*“By going to FPA, we get the opinions and thoughts of the very audience we want to reach – financial advisers. FPA members are a good source for opinions on financial products, regulation, and designations. FPA is a valuable, credible source for me and for our readers. Last year, I reached out to FPA about 40 times on topics ranging from trusts to division of assets in divorce planning to use of variable annuities in planning.”*  
*Darla Mercado, insurance reporter, Investment News*

[Read](#) our *USA TODAY* ad  
[Download](#) the *Wall Street Journal* special section  
[Register](#) for FPA Retreat 2009  
[Read](#) about keynote speakers at FPA Anaheim 2009  
[Get the results](#) of the Value of Financial Planning Study

## 2008 Highlights

### JANUARY

2008 FPA president Mark Johannessen, CFP®, provides readers with investment advice in the *Chicago Tribune*.

FPA calls on the SEC to host a roundtable on RAND report.

Research presented in the *Journal of Financial Planning* reveals that looking more often for opportunities and rebalancing less produces better returns.

Financial journalist and author Stacey Tisdale recommends FPA on NBC's *Today Show*.

FPA reacts to President Bush's executive order issued January 22, establishing the president's advisory council on financial literacy.

**FPA renews partnership with the National Association of Women Business Owners® to provide educational resources.** NAWBO members use FPA's popular financial planner referral program, PlannerSearch, and our "Ask a CFP® Professional" e-mail hotline. FPA also provides speakers for local NAWBO chapters. Want to get involved with a NAWBO chapter? E-mail [Ryanne.Enyeart@FPAnet.org](mailto:Ryanne.Enyeart@FPAnet.org).



President Mark Johannessen reacts to the moves in Congress to finalize an economic stimulus plan.

### FEBRUARY

*Journal of Financial Planning* article is featured in *Ladies' Home Journal*, reaching over 13 million readers.

*Journal of Financial Planning* author Robert Dubil finds that insurance-like puts work best for protecting investors' portfolios.

**FPA's Web site is highlighted in *Parade* magazine.** Seventy-one million readers read all about it — how to get help on insurance terminology, making decisions at key stages in life, choosing long-term care insurance, new Medicare programs, and incorporating health insurance in a comprehensive financial plan. And they accessed it through **PlanForYourHealth.com**, the partnership between Aetna and FPA. *Parade* offers this interesting fact: most participants in an FDIC survey said they'd pick lifetime health benefits over a pension.

FPA calls for nominations for the 2008 P. Kemp Fain, Jr., Award, recognizing an individual who has made outstanding contributions to the financial planning profession.

FPA renews partnership with the American College of Emergency Physicians to provide educational resources.

**FPA introduces *Research Spotlight*, distributed quarterly to FPA members, providing cutting-edge research data and consumer trends.** Want to know what research said about how to improve your practice to increase client satisfaction? What are the characteristics of planners who are healthy *and* wealthy? What is the real effect of net worth? You'll find it every quarter in *Research Spotlight*, FPA's newest publication. FPA's Research Center also includes resources for institutional members, including research studies and *FPA Insight*, a quarterly newsletter with exclusive findings from research conducted by Cerulli Associates. *Research Spotlight* is archived and can be downloaded [here](#).

New FPA and McLagan report identifies characteristics of highly efficient practices and vital drivers of increased profitability.

## 2008 Highlights

### MARCH

FPA president Mark Johannessen is featured on Sky Radio.

*Journal of Financial Planning* author contends economic approach to financial planning improves conventional planning.



FPA announces that *Wall Street Journal* editor Jerry Seib will speak at FPA Retreat 2008. Here's what you can look forward to in 2009: cultural anthropologist Jennifer James on cultural intelligence; Harvard "positive psychology" lecturer Tal Ben-Shahar on leading with impact; Roger Gibson and Harold Evensky on investing's conventional wisdom on the hot seat; Cynthia Zalewsky on eldercare planning from the trenches. It's a don't-miss event. Read the program and register [here](#).

FPA statement opposes SRO for investment advisers.

FPA works with the *Wall Street Journal* to produce a special section on advanced strategies in financial planning. The *Wall Street Journal* has a print and online circulation of nearly 2.1 million.

### APRIL

*Journal of Financial Planning* article contends that future U.S. stock returns are likely to slide below historical averages.

FPA's PlannerSearch™ referral program is prominently featured on MSNBC.com and CNNMoney.com. "I'm not rich. Do I need a financial adviser?" Count on Jean Chatzky, the financial editor for NBC's *Today Show*, to say yes. And to point readers in the direction of FPA's [PlannerSearch site](#).

FPA president Mark Johannessen is featured in front page article on USATODAY.com, reaching over 2.25 million.

FPA announces that the Academy of Financial Services will hold its annual conference in conjunction with FPA Boston 2008.

FPA stories reach an audience of nearly 12 million readers through 335 print publications in April 2008 (more than any other financial services group).

## 2008 Highlights

### MAY

FPA, Fidelity and McLagan offer independent financial advisers opportunity to participate in FPA Scorecard at no cost.

FPA Press releases white paper, *Research: Communication Issues in Life Planning*, by Carol Anderson and Deanna Sharpe, Ph.D., CFP®.

**Journal of Financial Planning is featured on MSN Money's Web site, reaching more than six million.** What's the magic number for retirement? Roger Ibbotson thinks it's in his "National Savings Rate Guidelines for Individuals," featured in the *Journal* and reported on in May on MSN's Money Web site. Search the *Journal* for the article or read about it [here](#).

*Journal of Financial Planning* article contends some variable annuities are worth considering for retirees.

**FPA and AARP release new guide to improve financial service marketplace for boomers.** "A Financial Professional's Guide to Working with Older Clients" addresses the needs of a very diverse group who are preparing for consultation with older clients, special challenges including social, family and generational issues, and recognizing and handling physical and mental impairments. To download your copy, click [here](#). FPA also hosted a Virtual Learning Center seminar, "Working with Retirees: A New Older Demographic," to complement the booklet. The session is archived [here](#).

FPA president Mark Johannessen, CFP®, meets with U.S. Treasury on Reform Proposal.

FPA submits comments to the SEC, supporting the agency's overhaul of Part II of Form ADV, the primary disclosure document for investment advisers.

AARP invites FPA to moderate and present at Divided We Fail's Retirement Security Conference, "Completing the Retirement Equation: Making Savings Last a Lifetime," in Washington, D.C.

FPA president Mark Johannessen, CFP®, meets with SEC Division Chief Andrew J. "Buddy" Donohue to discuss current regulatory issues affecting the financial planning profession.

### JUNE

FPA is featured in *Men's Health* and *U.S. News World & Report*, combining to reach more than six million readers.

*Journal of Financial Planning* article states that white paper finds life planning effective in improving planner-client relationships.

FPA announces its strong opposition to proposed FINRA rule on broker supervision.

Through FPA's relationship with the U.S. Department of Labor, FPA offers financial advice to female government employees.

**FPA launches new user-friendly Web site.** What's new? Site redesign; improved navigation, ease of use and site search; a more fully developed consumer site; an enhanced FPA Research Center; and a member directory. During the six months leading up to launch, we converted thousands of pages of content to a new system, created four new sites using new technology, converted 16 applications (including PlannerSearch) to a new platform, integrated 18 applications (including a new FPA Store), implemented a unified login across all applications and sites, created chapter-hosted Web sites (including event registration capabilities) and integrated a new ad software for rotating ads. Since then, we've had 1.3 million page views of the member site, almost 1 million page views of the *Journal* site, 2.2 million page views of the annual conference site, and almost half a million of the general public site. Visit us at [www.FPAnet.org](http://www.FPAnet.org).

FPA stories reached an audience of more than 8.9 million readers through 125 print publications.

## 2008 Highlights

### JULY

FPA announces winners of third annual Financial Frontiers Awards competition

FPA is featured on ABC News, MSNBC and in *USA TODAY* and Forbes.

FPA adds regulatory and tax expertise to its Washington, D.C., office.

**FPA and Albridge Solutions announce availability of first practitioner technology report.** Planners are always looking for benchmarks, and FPA's first practitioner technology report included plenty of them — on technology systems, cost-benefit metrics, workflow and system integration, and more. The report was sponsored by Albridge Solutions. Download it [here](#).

FPA stories reached an audience of more than 6.2 million readers through 217 print publications in July 2008.

### AUGUST

FPA announces that Ameriprise Financial will sponsor FPA's Financial Planning Week®.

*Journal of Financial Planning* reveals a new twist on producing a secure retirement income stream.

**Donald Pitti is named FPA's 2008 P. Kemp Fain Jr. Award honoree.** For his 35-plus years as a leader in financial planning, Don Pitti was named as the prestigious P. Kemp Fain Jr. Award honoree in 2008. Pitti was the first chairman of the board of governors of the Society for Financial Counseling, the organization that created the IAFP, the College for Financial Planning, and the CFP® designation. Read more [here](#).



FPA members help kick off ABC's *Good Morning America Weekend* and *USA TODAY*'s "Frugal Family Challenge."

### SEPTEMBER

*Journal of Financial Planning* releases a study stating when retirees should reduce spending if nest egg doesn't provide enough income.

New study conducted by FPA and sponsored by Transamerica reveals that demand for retirement income planning growing dramatically.

FPA endorses SEC proposal to curb abusive sales of indexed annuities.

FPA urges caution in adoption of permanent trading rule for Wall Street.

**FPA pays tribute to long-time leader Henry Montgomery.** Decorated military officer, devoted father and grandfather, founder of an NASD-registered investment firm, instrumental in the creation of the *Journal of Financial Planning*, and an advocate for his clients until his death at age 83, Henry Montgomery "was a leader in the right place at the right time for the fledgling financial planning profession in the early 1980s." [Read](#) about Montgomery's many contributions to our profession.

## 2008 Highlights

### OCTOBER



BOSTON  
2008

The Annual Conference of the Financial Planning Community

**FPA Boston 2008 — our most successful annual conference ever.** You should have been there. David Gergen, Nassim Nicholas Taleb, and Bill George were. So were 3,500 FPA members, sponsors and exhibitors. View the complete [archive](#) of FPA Boston 2008 or video dailies on the [FPA Television channel on YouTube](#).

FPA hosts its seventh annual Financial Planning Week®.

FPA and *USA TODAY* conduct hotline in conjunction with FPA Boston 2008 and Financial Planning Week. During the hotline, hundreds of consumers had a chance to ask for financial help from FPA members. *USA TODAY* reaches more than 2.25 million readers daily.

FPA teams up with *The Wall Street Journal* on a special advertising section. For the third year in a row, FPA teamed with *The Wall Street Journal* to produce a special section, “A Guide to Financial Planning.” The section appeared on October 4, in conjunction with FPA Boston 2008 and Financial Planning Week. Two million readers – on Saturday no less – read about financial planning myths debunked and responses from FPA members to typical reader questions about financial knowledge. View the special section [here](#).

FPA president Mark Johannessen was featured in *U.S. News & World Report*. The publication reaches more than 2 million weekly readers.

FPA was featured on ABC News and ABCNews.com October 1. With Wall Street in turmoil and the economy on the brink of collapse, ABC News sought answers from FPA regarding readers' personal finance concerns.

The FPA and Ameriprise “Value of Financial Planning” study, conducted by Harris Interactive, was prominently featured on the Forbes and MSN Money Web sites.

FPA Press offers resource on applications of after-tax asset valuations

**According to the “Value of Financial Planning” study released by FPA and Ameriprise Financial, Americans with a financial plan feel more on track during market turmoil.** The upside: 49 percent of comprehensive planning participants surveyed by Harris Interactive in FPA’s first extensive consumer survey are “very or extremely confident” about their financial futures. The downside: only nine percent of those surveyed are in a planning relationship, leading to more upside: huge potential for planners. Read the study [here](#).

Survey by FPA and *Plan for Your Health*, the public education program from Aetna, finds that consumers can save thousands by being savvy shoppers.

**According to the FPA Practice Management Scorecard, provided by McLagan and released recently by McLagan and FPA, success drivers vary among markets and adviser practice types.** This peer-reviewed tool is designed by planners for planners, measuring key dimensions of your business – practice revenues, assets, clients, staffing levels, expenses, compensation and profits. Take the survey, submit your data and get three quantitative benchmark reports. Access the survey [here](#).

FPA Press offers a guidebook to effectively serve the mass affluent.

FPA stories reach an audience of more than 20 million readers through approximately 470 print and Internet publications (more than any other financial services group).

## 2008 Highlights

### NOVEMBER

*Journal of Financial Planning* releases a study stating when retirees should reduce spending if nest egg doesn't provide enough income.

FPA's Web site is featured on CNBC.com, CNNMoney.com.

**FPA makes a statement in *USA TODAY* full-page ad.** Setting standards requires making statements. And FPA sent a message to all Americans on November 3 about how the financial planning community, through FPA, can be a catalyst for positive change in turbulent times: "We can't invest our way out of the crisis, but we can plan our way through it." View the ad [here](#).

FPA's *Journal of Financial Planning* reveals that withdrawing bonds first from retirement portfolio is not necessarily a good idea.

FPA announces that Bert Jacobs, David Walker and Marci Rossell will headline FPA Anaheim 2009.

**FPA announces Tom Potts as 2009 president-elect.** At the head of the class of seven new CFP® practitioners in leadership roles for 2009 (six new board members), Tom Potts was elected as president-elect for 2009, the first from the academic world to lead FPA. Read about him [here](#).



### DECEMBER

Following new improvements to FPA's consumer Web site, FPA is able to provide better resources to consumers during the tight economy.

FPA invites members to view its proposed [Transparency Policy exposure draft](#).

FPA distributes its [2008 FPA Practitioner Technology Report: Leveraging Technology Solutions](#), allowing members to increase their efficiency and revenue in today's market.

FPA makes available its [2009 Tax Update](#).

FPA and AT&T educate planners on mobility options.

## 2008 Financial Review and Audited Financial Statements

In 2005, FPA finalized its Financial Philosophy, the guiding principles FPA uses to evaluate, manage and oversee the finances of the organization. The Financial Philosophy is based on five unique vision statements:

Financial resources exist to further the vision of the association and provide values to members. They ensure the future viability of the association and will enable it to remain relevant and viable.

All financial decisions will be filtered through and must support the core ideology and values of the Association.

FPA will strive for financial strength and will not spend the last dollar of the association. Financial strength will enable FPA to weather future financial storms while continuing to deliver member value.

FPA's systems and processes will be clear and responsive to the needs of the association, yet we realize that we live in a world that constantly changes and therefore must embrace new thinking relevant and adaptable to these changes.

Having a sound financial philosophy will enable FPA to fulfill its mission to be the community that fosters the value of financial planning and advances the financial planning profession.

### Audited Financial Statements

FPA's most recent audited financial statements for the fiscal year 2007-2008 can be viewed [here](#).

### Budget/Forecast for Fiscal Year 2008-2009 and Beyond

FPA's fiscal budget and related forecast for the period ending May 31, 2009, is summarized below. The operating loss was approved to avoid an adverse impact of both delivery and quality of services and benefits expected by members. Details of the 2008-2009 budget may be found [here](#).

	<b>2008-2009 Budget</b>	<b>2008-2009 Forecast</b>
<b>Revenues:</b>	\$18,037,663	\$16,462,099
<b>Expenses:</b>	<u>\$18,337,663</u>	<u>\$16,732,398</u>
<b>Operating Income/Loss:</b>	(\$300,000)	(\$270,299)
<b>Investment Loss:</b>	-	(\$1,350,000)
<b>Net Income/Loss</b>	(\$300,000)	(\$1,620,299)

When the Board approved FPA's fiscal year 2008-2009 budget, we had not yet experienced, nor could we have anticipated, the serious financial and economic downturn in the third and fourth quarter of 2008, and its effect on FPA's revenue streams. Due to the continued weakening of the economy and the resulting effect on our members' businesses, in September 2008 we found it necessary to adjust the budget for the remainder of the 2008-2009 fiscal year in an effort to remain within the operating loss approved by the Board.

As we approach FPA's next fiscal year (beginning June 1, 2009) the majority of our revenue sources are expected to further weaken and will approach a level of \$14.0 million. Recently, the Board approved a cost reduction plan of approximately \$2.7 million in an effort to achieve a break-even budget next year. Your Board is actively managing this challenge and working to ensure that FPA remains as robust as possible in member services, programs, and benefits in an extremely difficult environment.



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Financial Planning Association  
Suite 400  
4100 E. Mississippi Avenue  
Denver, CO 80246  
800.322.4237  
303.759.4900  
[www.FPAnet.org](http://www.FPAnet.org)