



2019 FPA Annual Report



*Elevating the profession that transforms lives
through the power of financial planning*

Change Tomorrows™

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Message From the 2019 FPA President

In December 1969, Loren Dutton and James Johnston held a meeting with 11 colleagues to lay the foundation for the financial planning profession. It was at that meeting 50 years ago where the seeds were planted for a profession that since has seen strong roots take hold. Professional standards and a recognized certification for financial planning, the development of professional membership associations, the launch of respected journals, advocating on behalf of a financial planning profession, and more can all be traced back to that fateful meeting at a hotel near O'Hare Airport.

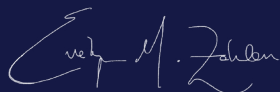
As the profession celebrated its 50th anniversary in 2019, we reflect on FPA's role in helping move the profession forward. In partnership with our network of chapters and thousands of volunteer leaders, FPA has been working to advance member competency in financial planning, advocate for the profession with policymakers, unite practitioners through a connected community, and much more.

Over the past year, FPA hosted several exciting national events and conferences, launched new publications, introduced new research, created new Knowledge Circles that embrace and seek to expand the diversity of our membership, advocated for members on rulemaking that impacts the profession, and ensured CFP® professionals had their voices heard by their certifying body. This was accomplished while also preparing for a two-year beta-test of the OneFPA Network with 11 FPA chapters that began in January of 2020.

2019 was a year of opportunity, challenge, and accomplishment, but the FPA Board of Directors and the professional staff at the FPA Central Office are not resting on past accomplishments. There is much to do in 2020 and beyond to ensure the association is on solid footing, growing our ranks and providing meaningful membership value.

We look forward to sharing the results of those efforts with you throughout the year and in the 2020 Annual Report. Until then, please let us know what we can do to be a better membership association for you and your profession.

Sincerely,

A handwritten signature in white ink on a dark blue background. The signature is cursive and reads "Evelyn M. Zohlen".

Evelyn M. Zohlen, CFP®
2019 FPA President

Honoring a Leader: 2019 P. Kemp Fain, Jr., Award



Honoring Tom Potts, Ph.D., CFP®

At the 2019 FPA Annual Conference in Minneapolis, Minn., the association was honored to bestow the 2019 P. Kemp Fain, Jr., Award to Tom Potts, Ph.D., CFP® in recognition of his lifetime of service to FPA and the financial planning profession.

At the Annual Conference, Bill Carter, CFP® said of Tom: “Thomas Wolfe once said, ‘If a man has a talent and cannot use it, he has failed. If he has a talent and only uses half of it, he has partly failed. If he has a talent and learns to use the whole of it, he has gloriously succeeded, and won a satisfaction and triumph few men will know.’ Tom Potts used all his talents to help build and promote this profession we know today as financial planning.”

Learn more about this [prestigious award](#) and [Tom's many contributions](#).

The FPA Chapter Network



FPA is committed to changing the tomorrows for our members, and to helping them change tomorrows for their clients, and all who need their service. It is through our [network of 86 local chapters and state councils](#) where our members truly learn what community is all about. Through programs and events, FPA chapters make it possible for our members to learn and share with their peers in meaningful and impactful ways.

FPA would like to acknowledge the more than 2,500 outstanding volunteer leaders who took time away from their families, businesses and clients to help power the association across the country in 2019. Their selfless efforts were critical in supporting our members and helped those in our community appreciate all we are doing to elevate the profession of financial planning.

86
LOCAL CHAPTERS
& STATE COUNCILS

The Value of Membership



Professional Education

Business Support

Advocacy

Community

FPA is the principal membership organization for CERTIFIED FINANCIAL PLANNER™ professionals, educators, financial services professionals and students who are committed to elevating the profession that transforms lives through the power of financial planning. With a focus on the practice, business, and profession of financial planning, FPA advances financial planning practitioners through every phase of their careers, from novice to master to leader of the profession.

FPA volunteer leaders and staff are working to provide members meaningful opportunities to develop and grow their financial planning competencies, embrace sound business practices, elevate their voices with influencers and policymakers, and connect with their peers. What follows is just a sliver of what FPA did in 2019 in the areas of professional education, business support, advocacy and community. Check out our [quarterly FPA Snapshots](#) for more in-depth detail.

Professional Education

2019 Conferences and Events

FPA Retreat: The event gathered over 350 leaders in the profession to experience advanced presentations, compelling peer-to-peer learning sessions and highly engaging conversations May 6–9 in La Jolla, Calif. More than 90% of attendees surveyed indicated they gained knowledge and skills to apply to their work and that the content was high quality and relevant.

FPA Residency: FPA offered an immersive, experiential, learning-focused Residency program to 30 new or soon-to-be CFP® professionals in Aurora, Colo. from June 7–12 and again Oct. 25–30.

FPA NexGen Gathering: New, passionate financial planners convened at FPA NexGen Gathering from June 2–4 at Loyola University in New Orleans to discuss hot topics and trends facing the future of the financial planning profession.

FPA Annual Conference 2019: The largest global gathering of CFP® professionals and thought leaders in financial planning, FPA Annual Conference 2019, held Oct. 16–18 in Minneapolis, attracted more than 2,000 attendees from around the world.

Publications and Educational Programs

Journal of Financial Planning Turned 40: Just a decade after the creation of the financial planning profession, the first issue of the *Journal of the Institute of Certified Financial Planners*, known today as the [Journal of Financial Planning](#), was published. Over the years, the *Journal* has been a trusted source in the financial planning community for dynamic, innovative, thought-provoking content that directly benefits financial planners and their work.

FPA Next Generation Planner Launched: To help new financial planners develop personally and professionally as they advance on their career journey, FPA revealed the [FPA Next Generation Planner](#). This new publication aims to help the next generation of practitioners in the early stages of their career journeys.

You're a Financial Planner...Now What? Podcast: In collaboration with TD Ameritrade Institutional, FPA, and host of the “You're a Financial Planner...Now What?” podcast, Hannah Moore, CFP® built on the [already successful podcast](#) by adding new episodes to address the diverse needs encountered by financial planners new to the profession.

2019 Trends In Investing Survey: This [annual survey](#) by FPA and the *Journal of Financial Planning* has been tracking investment vehicles used by FPA members since 2006. The 2019 survey reported trends surrounding ETFs' growing popularity, hesitation and caution around crypto assets, and client interest in cannabis investing.

Diversity and Inclusion Focus: FPA and the *Journal of Financial Planning* brought the fundamental topic of diversity and inclusion within the profession to the forefront in the May 2019 issue of the *Journal*. Although the *Journal* has published on this topic periodically over the last 20 years, this was the first time an entire issue was dedicated to Diversity and Inclusion.

Financial Planners Guide Clients Through Life-Changing Situations: FPA and the Financial Therapy Association introduced a [*Difficult Conversations Program Series*](#) to help financial planners prepare for working with clients experiencing life-changing situations.

***Journal of Financial Planning* Honored with National Award:** FPA's flagship publication, the *Journal of Financial Planning*, received the APEX Award for Publication Excellence. APEX Awards are based on excellence in graphic design, editorial content and the ability to achieve overall communications excellence.

Understanding Professional Standards and Regulations

2019 was a year that saw new rules and regulations promulgated that impact the practice of financial planning and, specifically, CERTIFIED FINANCIAL PLANNER™ professionals. FPA provided insights into these new rules and regulations through the pages of FPA publications and in-person and virtual programming, including:

CFP Board's Code of Ethics and Standards of Conduct: FPA hosted a [*series of educational programs*](#) to help CFP® professional members learn how to identify the structure and content of the Code and Standards, how to apply the Practice Standards when providing financial planning, recognize situations when specific information must be provided to a client, act in accordance with CFP Board's fiduciary duty and fully disclose and manage Material Conflicts of Interest.

SEC's Investment Advice Rules Package: FPA worked with partners at Groom Law Group and Carr Butterfield, LLC, to provide members a more in-depth look at the SEC's Regulation Best Interest and other rules included in the rules package. Live and recorded webinars, sessions at conferences, and detailed articles in the *Journal of Financial Planning* uncovered what financial planners need to know and how it impacts them, their businesses and clients.

Business Support

FPA Unveiled New Group Health Plan Exclusively for FPA Members: FPA, in partnership with Ryan Insurance Strategy Consultants (RISC, was pleased to announce an [FPA Group Health Plan](#) to help financial planners who are members of FPA gain access to affordable health care coverage for themselves and their employees. The new plan is available in most states for groups of 2–50 (minimum varies by state with rates approximately 25% lower than comparable Affordable Care Act (ACA) plans).

New FPA Job Board Introduced: A re-designed and re-engineered [FPA Job Board](#) was launched to help financial planners and employers easily connect and explore rewarding and meaningful financial planning career opportunities.

FPA MediaSource Continued Growth: FPA MediaSource, the association's automated media query platform that connects journalists with CFP® professional members, saw continued growth in the number of queries distributed to participating members. The first step for CFP® professional members to be part of [FPA MediaSource](#) is to participate in a virtual all-member media training. Training is also available for FPA chapters upon request.

Research: *The War on Stress 2019*: [New research](#) conducted by FPA, Janus Henderson Investors and Investopedia explored the issue of stress among financial advisers and investors, its causes and what can be done to effectively address stress in a healthy manner. Results indicated that while investors' primary concerns centered on how to maintain lifetime income that meet expenses, investors struggle to stay current in their financial knowledge, leading to potential worry and increased stress.

Research: Advisory Firms in 2030—The Innovation Imperative: Many financial planners are not anticipating evolving client needs or adequately planning for the future, despite the technology-fueled, rapid reshaping of the financial planning profession. To help financial planners address these needs, FPA and SEI revealed [new research](#) that offers insights into how the profession is—and isn't—anticipating clients' changing needs and innovation's role in adapting to these changes.

Technology and Career Coaches added to FPA Coaches Corner: FPA added to the slate of coaches participating in the FPA Coaches Corner by including [Technology and Operations Coach Charesse Hagan](#) and [Career Coach Barbara Kay, MA, LPC, RCC](#). The program aims to support members in their business development by connecting them with leading authorities who are subject-matter experts in core areas of practice management.

Advocacy

FPA Advocacy Day: The [6th Annual FPA Advocacy Day](#) was held June 5–6 in Washington, D.C. Eighty-five members participated in the event, visiting more than 90 congressional offices. Members were able to participate in a pro bono event for Hill staffers and attend the SEC open meeting where the Commissioners voted on the Regulation Best Interest Rule Package. After the SEC voted, SEC Commissioner Hester Peirce spoke to FPA members at the FPA Fiduciary Symposium.

State Advocacy Days: In 2019, 22 FPA State Advocacy Day programs were held with more than 220 members. These events focused on relevant issues impacting financial planners and consumers in the states and included meetings with state lawmakers, state securities offices, state treasurers, and others.

Professional Certification Coalition (PCC): To protect CFP® professional members of FPA, the association joined this newly formed [Coalition](#) in 2019 to help thwart efforts to enact legislation that would undermine the recognition of certifications developed or offered by private organizations.

FPA Backs Members on CFP® Standards Enforcement: FPA leaders sent a letter to CFP Board on July 8, stating strong support for the new CFP® Standards and the Oct. 1, 2019, effective date. In the letter, FPA asked for a delay on enforcement until June 30, 2020, to ensure all CFP® professional members of FPA had sufficient time to adhere to the Standards. CFP Board did delay enforcement until June 30, 2020.

Massachusetts Division of Securities Investment Adviser Fee Table Working Group: The FPA Legislative and Regulatory Issues Committee was instrumental in providing the Massachusetts Division of Securities Investment Adviser Fee Table Working Group recommendations on a possible fee table that would help consumers easily understand how financial professionals charge them. When the Working Group completed its work, the Division issued a regulatory proposal. In May 2019, FPA submitted written and oral testimony to the Massachusetts Division of Securities regarding their proposal.

Financial Exploitation of Vulnerable Adults: FPA, local chapters, and members submitted written and oral testimony in Arizona and New Hampshire regarding the financial exploitation of vulnerable adults. FPA members were instrumental in obtaining favorable changes to the legislation in both states. In 2019, S.B. 1486 was signed by Arizona Governor Doug Ducey, and S.B. 252 was signed by New Hampshire Governor Chris Sununu thanks to the efforts of FPA of Greater Phoenix and FPA of Northern New England.

State Fiduciary Duty Regulation: FPA submitted formal comments through the Financial Planning Coalition on fiduciary duty regulation proposed by Nevada in March and New Jersey in June.

Pro Bono

Leading Financial Planning Organizations Support Pro Bono: Early in 2019, FPA, CFP Board, the Foundation for Financial Planning, and NAPFA convened at the Nonprofit CEO Summit on Pro Bono Financial Planning to advance pro bono efforts within the financial planning profession. Together, they agreed to collaborate, as [outlined in this article](#), to embrace pro bono financial planning as a way to transform lives.

Power of Financial Planning Award: FPA and the Foundation for Financial Planning announced the new Power of Financial Planning Award to recognize an FPA chapter annually for their commitment to delivering pro bono financial planning in the spirit of FPA's Primary Aim. The first award was presented to [FPA of Georgia](#) at the FPA Annual Conference 2019 in Minneapolis.

Financial Planning for Cancer Program: In partnership with the Foundation for Financial Planning, Family Reach, and CENTS, FPA actively recruited pro bono financial planners for the [Financial Planning for Cancer Program](#). Through this effort, 57 FPA members completed the onboarding process to volunteer to serve families, and 268 families were matched with FPA members in 2019.

Homes For Our Troops: FPA partnered with Homes For Our Troops (HFOT) to provide pro bono financial planning to HFOT Veterans. The HFOT mission is to build and donate specially adapted custom homes nationwide for severely injured post—9/11 veterans to rebuild their lives. Through our partnership, HFOT Veterans are provided a free financial plan that will allow the Veteran and family to work toward financial security.



Community

Diversity and Inclusion Strategy: In June 2019, FPA adopted a new [Diversity and Inclusion](#) strategy, including a new Vision Statement: *“Diversity is an integral part of our culture and identity. Inclusion is the way we treat and perceive all individuals and differences. We strive to create an inclusive culture where diversity is seen as a value for the Association to elevate the profession that transforms lives through the power of financial planning.”*

D&I Takes Center Stage at the FPA Annual Conference: FPA hosted its first Diversity and Inclusion reception at the FPA Annual Conference 2019 to support its new D&I Vision Statement and encourage more in-depth conversations on the value of diversity and inclusion in the profession. Additionally, Keith Beverly, MBA, CFP®, CFA, Alexandra Hopkin, CFP®, AFC®, and Thao Truong, CFP® were awarded FPA Diversity Scholarships to attend the conference.

FPA Latino Knowledge Circle Launched: Expanding efforts to serve the diverse needs of financial planners, FPA launched the [FPA Latino Knowledge Circle](#) in 2019. FPA members of Latino descent now have a professional home to collaborate, share ideas, engage in professional development, promote the profession among the Latino community and make connections.

FPA African American Knowledge Circle Launched: Expanding efforts to serve the diverse needs of financial planners, FPA launched the [FPA African American Knowledge Circle](#) at the FPA Annual Conference 2019. FPA members who identify as Black/African American or serve this community can collaborate, share ideas, engage in professional development, navigate the profession and make lasting connections.

FPA Women and Finance Knowledge Circle Relaunched: FPA relaunched the [Women and Finance Knowledge Circle](#) with host Eleanor Blayney, CFP®. This Knowledge Circle aims to support women in the financial planning profession and those who serve female clients.

Recognizing Three Members Making an Impact in the Profession: Stuart H. Armstrong, II, CFP® ChFC®, CLU®, ADPASM, CLTC, AIF®; Craig Jergenson, CFP® and Tara L. Scottino, CFP® received the [2019 Heart of Financial Planning Award](#). This award recognizes financial planning professionals, firms and organizations that demonstrate remarkable commitment and passion for contributing or giving back to the financial planning community and/or public.

CFP®-Focused Study Group: FPA’s first-ever CFP® Exam Study Group wrapped up in November 2019 and focused on what it means to be, learn, act and feel like a CFP® professional. The group provided exam takers a place to gather, ask questions and share study tips as they prepared for the exam. This program was a free opportunity for all FPA members to take a deep dive into a CFP® professional’s practice from many angles.

OneFPA Network Initiative and FPA Business Mission

FPA is clear about its priorities, and in 2019, we solidified the two integrated pillars of our business plan's focus: the **OneFPA Network Initiative** and the **Business Mission**.

OneFPA Network Initiative

Our OneFPA Network Initiative is an organization-wide effort intended to transform how FPA communities work together in a more aligned and integrated manner. OneFPA seeks to strengthen our cultural alignment, based on a governance model that institutionalizes and engages more voices from leaders throughout FPA in the direction setting of the organization. OneFPA also envisions centralizing certain operational functions across the association to create greater efficiencies and effectiveness.

In 2019, we made significant progress toward the vision of OneFPA by engaging in a system-wide listening tour. The result was the formation of participatory governance structures like the OneFPA Advisory Council and the selection of Council representatives to sit on the OneFPA Nominating Committee. To test centralizing certain operational functions, 11 beta-test chapters were selected to experience and learn from greater interconnection with the FPA Central Office. The volunteer leaders and staff of the beta-test chapters engaged in a robust orientation process at the end of 2019 to set the foundation for a successful OneFPA experience in 2020—the first year of a two-year beta test.

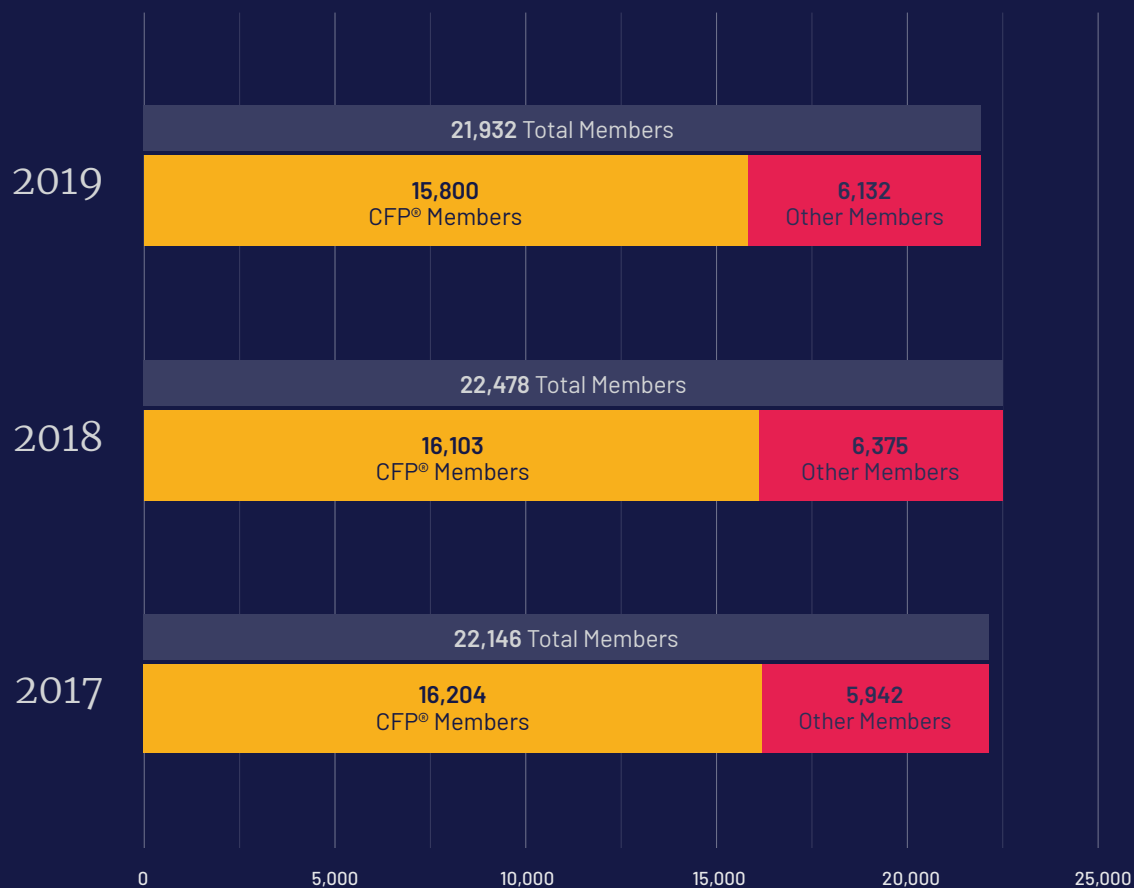
FPA Business Mission

A compelling and clear mission provides laser-focused guidance in prioritizing the resources of an organization. For FPA, this means the consideration of three strategic questions: What can we do as an organization better than anyone else? What can we do that blends the passion of our volunteers and members? What can we do that leads to financial and business success?

Adopted by the Board of Directors in 2019, our Business Mission is to: *provide support that advances financial planning practitioners throughout every phase of their career encompassing the business, practice and profession of financial planning.*

Membership Breakdown

Overall, FPA membership counts remained relatively steady from 2017 to 2019, ranging between 21,932 and 22,478 during the three-year period.



2019 Audited Financial Statements

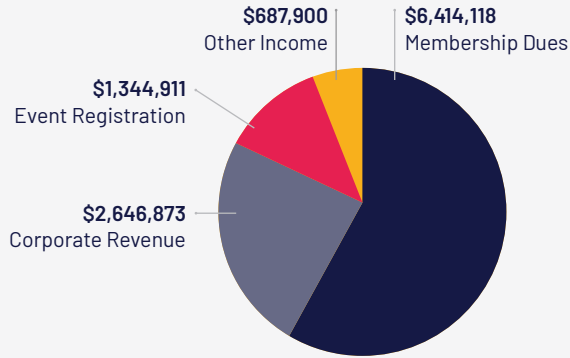
The association ended 2019 in a solid financial position. Member equity, or Net Assets, stands at \$2,021,725. Revenue was up slightly compared to the previous year with increases in Corporate Partnerships and other income offsetting declines in revenues from Membership and Events. Expenses were higher compared to the previous year, primarily attributed to investments made into the OneFPA Network and expenses related to the relocation of FPA's offices.

View all of FPA's financial statements and reports on [FPA's website](#)

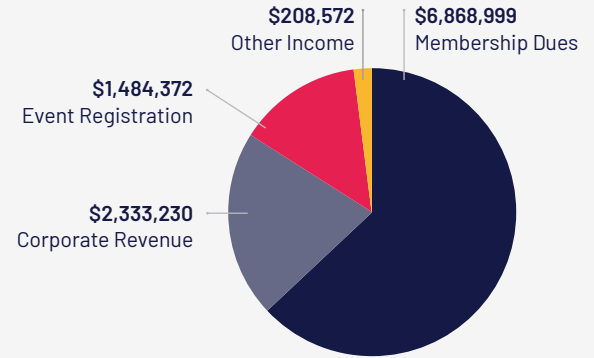


REVENUE

2019 Revenue | \$11,093,802

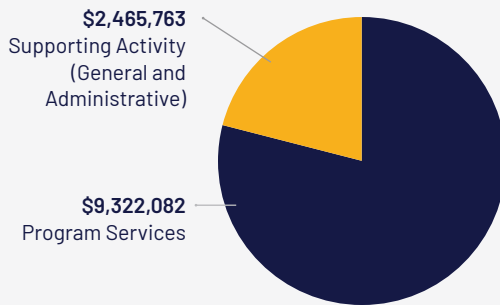


2018 Revenue | \$10,895,173

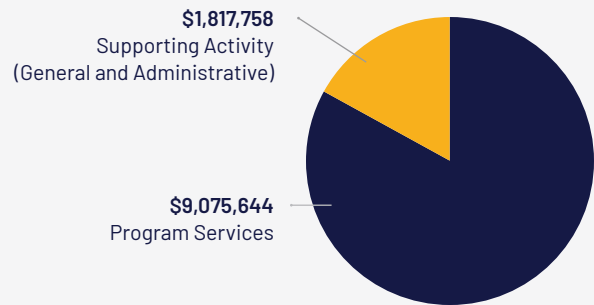


EXPENSES

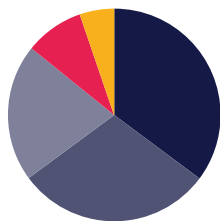
2019 Expenses | \$11,787,845



2018 Expenses | \$10,893,402

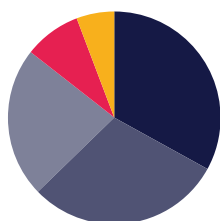


2019 Expenses | Summarized by Program



35.19%	Membership, Chapter and Community
29.70%	Professional Education and Conferences
20.92%	General and Administrative
8.96%	JFP and Practitioner Content
5.23%	Advocacy

2018 Expenses | Summarized by Program



33.02%	Membership, Chapter and Community
29.70%	Professional Education and Conferences
22.84%	General and Administrative
8.68%	JFP and Practitioner Content
4.89%	Advocacy

Consolidated Statement of Financial Position

Year Ended December 31, 2019

Assets

Current assets:

Cash and cash equivalents	\$	296,312
Short-term investments		684,001
Accounts receivable-net		381,835
Prepaid expenses and other assets		499,550
		1,861,698

Property and equipment-net		1,220,820
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Long-term investments		2,878,522
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Total Assets	\$	5,961,040
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Liabilities and Net Assets

Current liabilities:

Accounts payable	\$	306,576
Chapter dues payable		146,854
Accrued expenses		351,175
Deferred revenue		3,134,710

Total Liabilities	\$	3,939,315
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Net assets:

Without donor restrictions		2,021,725
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Total Liabilities and Net Assets	\$	5,961,040
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Consolidated Statement of Activities

Year Ended December 31, 2019

Revenue

Membership dues	\$ 6,414,118
Corporate revenue	2,646,873
Event registration	1,344,911
Other income	687,900
Total Revenue	11,093,802

Expenses

Program services	9,322,082
Supporting activity-general and administrative	2,465,763
Total Expenses	11,787,845

Change in Net Assets	(694,043)
Net Assets, Beginning of Year	2,715,768
Net Assets, End of Year	2,021,725

Consolidated Statement of Cash Flows

Year Ended December 31, 2019

Cash Flows From Operating Activities

Change in net assets	\$ (694,043)
<i>Adjustments to reconcile change in net assets to net cash provided (used) by operating activities</i>	
Depreciation and amortization	241,928
Net realized and unrealized gains on investments	(283,985)
Change in operating assets and liabilities:	
Accounts receivable-net	(103,670)
Prepaid expenses and other assets	(53,115)
Accounts payable	17,461
Chapter dues payable	28,091
Accrued expenses	114,789
Deferred revenue	(208,651)
Net Cash Used by Operating Activities	(941,195)

Cash Flows From Investing Activities

Reinvested interest and dividends	(108,046)
Proceeds from sale of investments	1,278,376
Purchases of property and equipment	(891,805)
Net Cash Provided by Investing Activities	278,525

Net Change in Cash and Cash Equivalents	(662,670)
Cash and Cash Equivalents, Beginning of Year	958,982
Cash and Cash Equivalents, End of Year	296,312



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