

CFP BOARD REPORT

News From Financial Planning's Professional Regulatory Organization

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A Letter to Stakeholders: A Message from Rick Adkins, CFP®, Chair of CFP Board's Board of Governors

As 2003 draws to a close, I would like to express my appreciation for the opportunity to serve as chair of CFP Board's Board of Governors and to publicly welcome my successor, David Diesslin, to the position. David and I have worked together closely this past year, and I am confident that he will shepherd CFP Board with vision and dedication. We are fortunate, indeed, that individuals of the caliber of David and other members of our volunteer boards are so willing to serve this profession.

Year's end is also a time for assessing our progress. Many of CFP Board's accomplishments deal with our mission to benefit and serve the public, but I would like to address our progress toward becoming a true profession. When measured against the yardsticks of a profession—a systematic body of theory, public acceptance of one's expertise, broad community sanctions (i.e., regulation), a strong code of ethics, and a professional culture sustained by industry groups—I am pleased to report that we have moved forward on all fronts.

CFP Board's support for research in personal financial planning, via stipends and monetary awards for outstanding work, is expanding the body of knowledge. Our financial grant to Texas Tech's Ph.D. program in personal financial planning and our collaboration with the Academy of Financial Services to develop a model financial planning curriculum for universities will likewise further that effort. As theory and practice become more integrated, the profession, the public and the planner all benefit.

The willingness of government and consumer groups to work with CFP Board in educating the public about the benefits of financial planning—and the media's reliance on CFP® certificants as objective, credible sources—attest to growing public recognition of the professional standards represented by the CFP certification marks. Regulators, consumer groups and the media have learned that CFP Board is very serious about standing behind the standards it sets. Our careful attention to a strong *Code of Ethics*, which CFP Board currently is reviewing for updates, is an example of our dedication to high professional standards.

Finally, a professional culture is being nurtured by membership organizations such as the Financial Planning Association, which has come out squarely behind the importance of a widely recognized professional credential and the planner's obligation to his or her clients.

Of course, the real test of a profession's arrival is when the public deems us so because we have earned that distinction by serving the public interest. Until then, we will continue to debate the best course to take. Financial planners are a diverse group, with strong ideas about what we do and why we do it. The Board of Governors is well aware of these tensions and strives to accommodate diversity while maintaining the standards that will continue to move us forward.

As the Board of Governors seeks this balance, I encourage you to ask questions, offer opinions, and share your best thinking on how CFP Board can best fulfill its role to uphold standards in which the public can place its trust.

Board of Governors

BOARD CHAIR

Fredrick E. Adkins III, ChFC, CLU, CFP®
The Arkansas Financial Group, Inc.

BOARD CHAIR-ELECT

David H. Diesslin, M.B.A., CFP®
Diesslin and Associates, Inc.

BOARD MEMBERS

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Bedel Financial Consulting, Inc.

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American Savings Education Council

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Kyra H. Morris, CFP®
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Karen P. Schaeffer, CFP®
Schaeffer Financial

CFP Board is directed by a 15-member Board of Governors which oversees four subsidiary boards. The Board of Governors establishes policy and oversees all CFP Board activities. Members serve three-year terms and a majority of Governors must be CFP® certificants. The CEO serves *ex-officio* as a Governor but does not have voting rights.

CFP Board Report is published to inform CFP® certificants, the profession and the public of CFP Board activities, policies and initiatives. A nonprofit professional regulatory organization, CFP Board fosters professional standards in personal financial planning so that the public values, has access to and benefits from competent and ethical financial planning. CFP Board does not discriminate in certification opportunities or practices on the basis of race, color, religion, sex, national origin, disability or any other characteristic protected by law.

2003: The Year in Review

- CFP certificants in the United States reached an all-time high of 42,875 (as of November 30), with another approximately 38,000 worldwide.
- Advisory Opinion 2003-1, which clarifies CFP Board's interpretation of the term "fee-only," was issued.
- CFP Board began the process of hiring a new CEO and named Gary Diffendaffer, CFP®, Executive Vice President, to head CFP Board's senior management team during the interim.
- CFP Board participated in the Academy of Finance Program, reviewing and updating the Academy's financial planning course for high school students.
- Forty-two new educational programs were registered with CFP Board, bringing the total to 286 programs at 176 institutions.
- Consumer outreach initiatives included CFP Board's partnership with the Social Security Administration in providing 11 workplace education seminars. CFP Board distributed more than 330,000 free *Financial Planning Resource Kits* to consumers.
- CFP Board sponsored the 16th Annual Program Director's Conference for CFP Board-Registered Programs, the 3rd Annual Financial Planning Day on Capitol Hill, and the first Firms Conference.
- CFP Board's Web site, www.CFP.net, was revamped, and Web site visits increased approximately 40 percent compared with 2002, adding up to more than 300,000 unique visitors to the Web site and nearly 10,000 consumers who opted to receive CFP Board's new consumer e-newsletter.

Certified Financial Planner Board of Standards Inc. owns the certification marks CFP®, CERTIFIED FINANCIAL PLANNER™ and  which it awards to individuals who successfully complete CFP Board's initial and ongoing certification requirements.