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### Our Mission Statement

The Financial Planning Association of Southwestern Ohio is the leadership and advocacy organization that connects those who need, support and deliver professional financial planning in Cincinnati, Dayton, and Northern Kentucky.

We are here to help you grow your practice, share best practices, and foster the financial planning discipline in the region. We offer insightful customized educational opportunities, professional networking events, and organized community service activities to bolster the image of your practice and the industry. Please reference your FPA Membership in your advertising and encourage it among your peers. Logos can be displayed in marketing materials- please contact our office to get a quality version of the FPA logo and marketing collateral.

**May 2014**

## Healthcare in Retirement

The FPA is pleased to welcome back Sue Denny for a presentation discussing Medicare and health insurance during retirement. She will provide an overview of Medicare from its origins to present day. She will discuss how to qualify for Medicare, how it is different than Medicaid, and the differences between Parts A, B, C and D. She will also explain how to apply for Medicare, the various enrollment periods, and the premiums. Finally, she will conclude with a brief look at Medicare and its interaction with Health Savings Accounts and the Affordable Care Act.

**DATE:** Wednesday, May 7, 2014      **Time:** 11:00am - 1:00pm

**Location:** Rookwood Tower 3805 Edwards Road Suite 700  
Cincinnati, OH 45209

## Hometown Entrepreneurs on 55WKRC

The **FPA of Southwestern Ohio** has been offered a great opportunity by Kent Lutz to help with a new radio program that will be broadcast by 55WKRC. The plan is to feature numerous FPA chapter members and other national guests on the program through local call in, in person, and nationally through SKYPE to discuss topics that affect entrepreneurship. The program will highlight and encourage entrepreneurship in the tri-state area and throughout the United States, as it grows in syndication. To express an interest in helping with the program, please contact Ken Lutz via [admin@fpacinti.org](mailto:admin@fpacinti.org).

# ProBono /Community Service

## Junior Achievement needs your help.

IT HAPPENS EVERY YEAR, AND THIS SCHOOL YEAR IS NO EXCEPTION! Junior Achievement has more teachers and students wanting a Junior Achievement class, but it is extremely short on VOLUNTEERS. It needs to fill 64 classes with a total of 1,563 students in the Cincinnati and Dayton area by April 2014. Please contact [Dan.Trick@ja.org](mailto:Dan.Trick@ja.org) or call 937-776-9637 to volunteer and get the current list of available classrooms. Who knows, they may need your help as your child's, grandchild's school or your Alma Mater.

## Save the Date - May 28th - Lunch & 2 Hour CE

Would you be interested in attending a 2-hour CE Meeting and Lunch on Wednesday, May 28<sup>th</sup> at the Hilton Garden Inn on Innovation Way in Miamisburg? Pioneer's own Karen Ireland is a foremost expert in Social Security and will be giving the CE Presentation. The CE will cover OH insurance, CPA, CFP, CIMA, CLU/ChFC and CRPC. Invitations will be emailed later this week. Seating is limited, so if you are interested in attending please send an email to [philip.otoole@pioneerinvestments.com](mailto:philip.otoole@pioneerinvestments.com). Below are some of the topics that we will cover...

There are over a thousand Social Security rules and regulations governing Social Security retirement, spousal and survivor benefits.<sup>[1]</sup> Attend Pioneer's CE presentation on May 28 to learn more about the complex rules governing Social Security. Packed with numerous case studies and technical analysis, this two hour CE seminar will give participants an overview of everything Social Security and recognize unique situations in which clients could be positively or negatively affected by Social Security.

We will discuss how Social Security impacts:

### **Clients who are currently married**

- What if a spouse claimed before Full Retirement Age or After Full Retirement Age
- What if one spouse claimed before or after the other spouse

### **Widows**

- The impact that the deceased's claiming age could have on the widow's benefit.
- Options available to young widows

### **Divorcee**

- Effect of remarriage
- Options available before Full Retirement Age

### **Government pensions that did not pay into Social Security**

- Impact on personal benefit
- Impact on spousal benefits

### **Disabled clients**

### **Family benefits**

### **How to coordinate Social Security with Medicare and HSA.**

## CFP Board Response

So that all members of our local FPA understand any adverse media or publicity that impacts the CFP Board, we are publishing the following excerpts of the response by the CFP Board to the April 2014 blog by [Financial Advisor Magazine](#) article.

"Evan Simonoff's, April 3 blog about the Certified Financial Planner Board of Standards [["Global Junkets Lavished on Directors Fuel CFP Board High Life"](#)] involved broad and unsubstantiated accusations about

the operations and ethical stewardship of the organization. The article blurred the line between news reporting and an editorial opinion piece – with numerous unnamed sources and erroneous facts – and was willfully biased and inaccurate.

The blog's string of random, disconnected and inflammatory charges seems to reflect old grudges against the CFP Board of a long ago past, while creating an impression that the CFP Board of the present is not properly managing certification revenues and that the current Board of Directors is failing to exercise its fiduciary obligation to oversee the organization. Let me assure you, as the Chair of the Board: nothing could be further from the truth....

...Through CFP Board's work in partnership with nearly 70,000 CFP® professionals and other organizations and thought leaders invested in the future of the financial planning profession, the CFP® certification has become the recognized standard of excellence for financial planning, both within the profession and among the public. CFP Board is executing on a bold and aggressive strategic plan, developed and approved by the Board of Directors almost two years ago, aimed at increasing awareness of CFP® certification; growing the number of CFP® professionals; advancing the long-term goals of recognition and regulation of financial planners; and establishing an academic body of knowledge for the profession. Let's look at just a few highlights from CFP Board's many recent accomplishments....

- Today, we have over 69,500 CFP® professionals in the United States. CFP Board has added nearly 15,000 CFP® professionals since Mr. Keller arrived in 2007, which is a 27 percent increase. CFP Board achieved this growth in the face of a shrinking number of financial advisors in the industry overall and during a significant economic recession, while strengthening its ethical standards (with the adoption of a fiduciary standard) and its academic standards (with the adoption of college degree and capstone course requirements)....

...CFP Board initiated a Public Awareness Campaign in 2011 – in direct response to requests from CFP® professionals – to increase consumer awareness of CFP® certification and the value of working with a CFP® professional. Ninety-four percent of CFP® professionals said they believed such a campaign was needed. The campaign, which is funded by an annual fee dedicated solely to the direct expenses of the campaign with no allocation to overhead or operational expenses, has been very successful: it achieved its four-year objective goal for increased consumer awareness in only two years. In 2013, the Board approved its ongoing continuation, and CFP® professionals continue to overwhelmingly support the campaign.

- CFP Board has earned a seat at the public policy table. In collaboration with our Financial Planning Coalition partners, FPA and NAPFA, we have tirelessly advocated in support of a fiduciary standard, and CFP Board led a game-changing study conducted by the Boston Consulting Group that was a significant factor in defeating legislation that would have paved the way for a FINRA SRO for investment advisors.

...In 2013, CFP Board released the Financial Planning Competency Handbook, the first authoritative and seminal work combining academic theory with the practice of financial planning, and we are collaborating with John Wiley & Sons on a peer-reviewed academic journal to provide an academic platform for faculty who are teaching and conducting research in financial planning.

- CFP Board has significantly improved its enforcement policies and practices – all with the goal of being fair to participants and credible to the public. Recent reforms – including Anonymous Case Histories, Sanction Guidelines, and the addition of public members on the Disciplinary and Ethics Commission (DEC) – facilitate consistent, transparent and credible decisions, in line with our Standards of Professional Conduct...

CFP Board has realized these accomplishments with 20 percent fewer FTE staff (62 today) than employed by the organization ten years ago (75 then). A survey of CFP® professionals (which reflects a statistically significant sample of CFP® professionals versus a few unnamed sources in Mr. Simonoff's article) reveals that they recognize CFP Board's recent accomplishments to advance the certification and profession:

- 91 percent say they are very satisfied with their career choice in financial planning – a six point increase from the 2011 survey;
- 92 percent say they are very satisfied with their decision to pursue CFP® certification; and
- nearly two-thirds (63 percent) of CFP® professionals report that the service they receive from CFP Board meets their expectations – a dramatic increase from 2011, when that number was 48 percent.

...Veiled suggestions that Mr. Keller has engaged in any conflicts of interest are patently wrong and offensive. The Board has complete confidence in Mr. Keller's leadership. His salary is determined by the Board of Directors' CEO Oversight Committee after a careful process that includes consideration of a report by an external compensation consultant that benchmarks executive compensation for similarly situated non-profit financial services organizations. The fact that Mr. Keller's salary has increased since 2009 (which is incorrectly reported by Mr. Simonoff) solely reflects the successful execution of Board-established CEO goals and marketplace benchmarks...

Mr. Simonoff also irresponsibly mischaracterized CFP Board's limited and appropriate work with the Financial Planning Standards Board (FPSB), which owns the CFP mark outside of the United States. As the largest member of FPSB (45 percent of all CFP certificants worldwide are in the U.S.), two to three top leaders of CFP Board attend two annual FPSB meetings per year (the remainder of the work is done by teleconference) to help other countries grow to create a worldwide profession, as well as protect the potential reputational harm to the CFP brand and to preserve our most important asset: ownership of the CFP marks in the U.S. All travel, whether international or within the U.S., is consistent with corporate travel policies that ensure costs are appropriate and reasonable...."

## College & Career Planning is Changing

Help Clients plan the education of their kids. College may not be the initial "best route" in the future. It may be better for kids to learn a "trade skill" in their field of interest before going to college. Maybe they can even get their employer to help pay the cost of the ongoing professional education as they work in that field. To learn more about the recommendations of the Federal Reserve Bank of Cleveland, go to their [website](#). Education is always relevant to the quality of life, but a college education may not matter as much in the future. We need a well trained workforce.

## Practice Management Tips of the Month

Remember when discussing taxes on investments, to tell client to speak to their tax advisor. Before selling, double check that they have. For many medium wealth individuals, the Capital Gains tax is only one tax that they may be affected by. They can also be affected by the additional Medicare tax and the Alternative Minimum Tax. This could effectively double their taxes.

Do you keep a "Top 5 Task List" This is the list of the Top 5 things that you need to do each day before you leave for the day. These are "money making" tasks like prospecting calls, client service,

and even professional education. Don't try to get a thousand things done in a day – just do 5 high value tasks.

Remember that beneficiaries do not have the right to be told “how much of the estate” they are receiving. They just have the right to know how much money they are getting and only after the owner of the account have died. Do you have the beneficiary contact information on file in your office? If not, you won't know how to contact them. As future heirs, they were potential prospects. Try to develop a relationship with them so that the assets stay at your firm.

Do not accept trade or withdrawal instructions from anyone other than the account owner or their documented Power of Attorney. If you do, the SEC, FINRA, and the federal courts will consider it a breach of fiduciary duty and hold you responsible for damages and restitution. Even if a reasonable person should have detected that their spouse or child were doing the transactions over a period of years without their permission, the advisor can still be held liable for the losses due to the breach.

Do you know your client's kids' names? Do you know where they work? They are potentially the heirs to your assets under management. Try to meet them, offer them some free advice or planning sessions. The sooner you build a relationship with them, the more likely they will use you as their own advisor. Hopefully, these efforts will attract their assets as well as retain their parent's assets in your firm.

# Remember our Sponsors

“Support Those- Who Support Us- Supporting You”

