

The Financial Planning Association's Pro Bono Program

'Giving back to the community'

Presentation to the RFCS National Workshop 11 June 2008



Why a Pro Bono program?

- Financial planners see pro bono advice as a way of giving back to the community
- Pro Bono work is the mark of a professional adviser
- While regulation puts a brake on pro bono work, the FPA offers a framework to support it
- Pro Bono work gives access to financial advice to those who cannot afford to pay



Collaboration: RFCS and FPA

- Rural financial counsellors provide *initial financial assessment* and financial planners provide *personal financial advice* - complementary roles
- Counsellors can strengthen their referral and professional networks by working with planners
- Sunraysia pilot started October 2007
- 30 registered pro bono financial planners
- 7 RFCS clients referred to pro bono financial planners
- National rollout of program effective 1 July



What is Pro Bono advice?

- For the 'public good'
- Without charge or at reduced cost
- Usually means or merit tested
- Meets standard regulatory obligations
- Helps to build self-reliance
- Enables clients to manage change
- Prevents financial problems spiraling out of control



Pro bono financial planners

Required to:

- Be Certified Financial Planner™ professionals or on the CFP® ‘pathway’
- Have licensee sign-off
- Take account of all ethical, professional and regulatory obligations that apply to personal financial advice



Client eligibility for pro bono advice

- Must be referred to the FPA by a recognised collaborating organisation, eg RFCS
- We accept any RFCS clients who are 'in financial difficulty and have no alternative sources of impartial support'...
- ... and are in need of personal financial advice which cannot be provided by rural financial counsellors
- Clients of other referring bodies, as links are established



A simple process

Step	Task	Who
1	Identify need for financial planning advice	Client & RFC
2	Provide Pro Bono referral/ introduction to FPA	RFC
3	Complete pro bono advice application	Client
4	Assess application and match with financial planner/s	FPA
5	Contact registered financial planner, seek info and arrange meeting	Client
6	Follow up with client and provide assistance with contacting planner/s if necessary	RFC
7	Accept basis for advice and sign client service agreement with financial planner	Client & financial planner
8	Provide advice for agreed period	Financial planner

Talking with clients

- Advantages of advice from an FPA member
- Dealing with misconceptions about financial planners and planning
- Know the trigger points for financial advice
- Balancing short term imperatives (the immediate crisis) with longer term goals (financial security)
- Identifying what outcomes might be expected



The value of financial advice

- Financial planners can provide:
 - Budgeting capabilities
 - Strategies for short and long term goals
 - Risk protection advice
 - Investment advice
 - Superannuation advice
 - Information and advice on old life policies
 - Income streams in retirement and other retirement strategies
- Clients will be more in control of their finances
- Clients will be able to think through and plan for succession and other longer term issues
- Client should have greater peace of mind as the partnership with their financial planner develops



Your pro bono resources

For policy / procedural detail:

- FPA Pro Bono Guidelines

For client discussions:

- FPA Pro Bono Charter
- Overview of program for RFCS clients
- Application for pro bono financial advice



What next?

- We plan to extend this program around Australia and need your help to do so
- What do we need to do to make it work?
- What reservations or issues do we need to address?

