

# To Your Wealth Update

News & information to contribute to your financial peace of mind



## Issue 8 – August 11, 2011

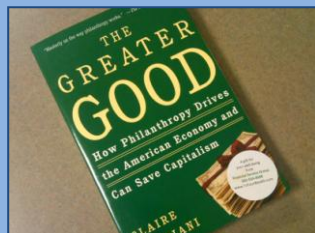
### Can our generosity save capitalism and democracy?

By Justus Morgan, CFP®

Published in *Racine Journal Times*—August 4, 2011

Based on all the political discourse and economic perils we seem to face today, is there any hope for America? Perhaps I am overly optimistic, but I think the answer is yes. In fact, the factors of our future success will be grounded on what has propelled us for the last 235 years. These factors include democracy, capitalism and philanthropy.

Instead of using the words philanthropy or charitable gifting, I prefer to think in terms of generosity which is arguably a trait all of us can demonstrate in one form



or another. In her book, "The Greater Good," author Claire Gaudiani makes a compelling argument that Americans do not give because they are rich - but rather that they are rich because they give.

More importantly in today's environment is the fact that being generous supports the other two pillars of American society, democracy and capitalism. Both of these can be messy and less than perfect. Generosity by individuals can propel government to take quicker action than its bureaucracy would otherwise allow. Gaudiani uses as an example the GI Bill after World War II which was initially opposed by Congress. But, due to the efforts of the American Legion, it led to the education of a generation of war veterans who propelled the economic growth of the 1950s and '60s.

In regard to capitalism, one of the complaints often made is the concentration of wealth among a relatively small percentage of the population. Generous financial donations by wealthy patrons have reduced some of this concentration. Two of the wealthiest Americans, Warren Buffett and Bill Gates,

have pledged most of their fortunes to charity. For those who don't think capitalism and generosity are linked, imagine if all the achievements, buildings, and causes that are financed by private donors were to disappear. Would we be better off then?

It doesn't take millions of dollars to make a difference. You can consider a number of options available today that were not available to previous generations. Starting within our own community is the Racine Community Foundation ([www.racinecf.org](http://www.racinecf.org)) which allows donors to start their own fund with as little as \$50 per month. Even smaller minimum amounts can be used for micro-loans through organizations such as Kiva ([www.kiva.org](http://www.kiva.org)) which allow people to lend \$25 to others around the world to finance short-term projects designed to enhance their standard of living.

If we're to make progress, it must be done from different directions. Too often the generosity of individuals is overlooked or taken for granted, but it must be acknowledged as the third component of a successful society.

### FSG Boasts Three CFP® Certificants

The third member of the FSG planning team to earn the Certified Financial Planner® designation is Joy Clady, associate planner. Mike Haubrich has held this designation for more than 20 years and Justus Morgan completed the multi-year process in 2006.



*Justus Morgan celebrates with Joy Clady, the latest member of the FSG team to earn the CFP® designation.*

The CFP is considered the industry's gold standard for competent and ethical financial planning and is awarded by the Certified Financial Planner Board. CFP® certificants must pass the comprehensive CFP® Certification Examination, pass CFP Board's Fitness Standards for Candidates and Registrants, agree to abide by CFP Board's Code of Ethics and Professional Responsibility which puts clients' interests first and comply with the Financial Planning Practice Standards which spell out what clients should be able to reasonably expect from the financial planning engagement.

In earning the CFP, certificants must first complete rigorous academic study encompassing all topics related to financial planning. Once the academic requirement is satisfied, certificants can apply for the exam which assesses the planner's ability to apply financial planning knowledge appropriate to a variety of situations. Three years of full-time direct experience in the financial planning field is then required before a planner can display the coveted CFP® designation.

But the work doesn't end there. In order to retain the CFP designation, awardees must adhere to the ethical standards as put forward by the CFP Board and complete 30 hours of continuing education credits every two years.

"Earning a CFP is a long process, but is really in the best interest of clients," Joy said. "The rigor helps prepare us to deliver unparalleled, ethical service and sets us apart from other planners."



FSG is the only fee-only financial planning firm in southeast Wisconsin that has 100 percent of their financial planning staff holding the CFP designation.

### **Repeat! Investment 101 Workshop to be held September 13 | 6:30 – 8 p.m.**

Back by popular demand! Join Financial Service Group senior planner, Justus Morgan, CFP and associate planner, Joy Clady for a repeat performance as they facilitate this interactive session based on the book, *The Investment Answer*. Topics will include a review of important questions for investors such as:

- Do I invest on my own or should I use an advisor? If so, what kind?
- How should I allocate my investments among stocks, bonds, and cash?
- What does active and passive investing mean and which is "better"?
- When do I buy, when do I sell?

Workshop participants will receive a copy of the book at the workshop. Call our office at 262-554-4500 to reserve your seat or register on-line at [www.toyourwealth.com/upcoming\\_workshops.html](http://www.toyourwealth.com/upcoming_workshops.html)

### **Upcoming workshop – October 3**

Hold Tuesday, October 3 (6:30 -8 p.m.) on your calendar for a brand new workshop on Charitable Giving and how it contributes to capitalism and our economy (see Justus Morgan's article above). The session will be facilitated by Mike Haubrich and Racine Community Foundation Executive Director, Mary Beth Mikrut. Participants will receive a copy of *The Greater Good –How Philanthropy Drives the American Economy and Can Save Capitalism*.