

Stepping up free help to military

By Charles Paikert

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NEW YORK - With newspaper headlines serving as an all-too-poignant reminder that members of the U.S. military need all the help they can get, financial planners are stepping up their efforts to offer free assistance to them and their families.

"It will be a major focus of our pro-bono efforts next year," said Clara Lipson, the New York-based director of pro-bono services for the Financial Planning Association, which is based in Atlanta and Denver. "There's a major problem out there, especially with so many reservists now serving in the military," she said. "They don't have a support structure, and there's a tremendous need for financial recovery when they finish their tour of duty."

Crisis is seen

According to Mark Passacantando, director of pro-bono services for the FPA in Massachusetts and a managing member of Westwood, Mass.-based Financial Planning Partners LLC, inadequate financial guidance for military personnel has reached crisis proportions.

"There are soldiers coming back as double amputees, which has profound financial consequences," he said. "Soldiers are coming back with all kinds of debt problems, and they have to assimilate back to their civilian job - if it exists."

One of the FPA's major goals in 2005, Ms. Lipson said, will be to match military bases that need help with nearby FPA chapters that can provide it.

Ms. Lipson denied that the damaging insurance and mutual fund gouging scandals re-

ported earlier this year by The Wall Street Journal were the catalysts behind the FPA's flurry of military pro-bono efforts.

"This is really an outgrowth of the pro-bono program that we started after 9/11. When the Iraq war began in 2003, we immediately got phone calls from our members that we need to do something," she said.

"We also got a call from the Department of Defense and the National Military Families Association," Ms. Lipson said. "It was clear that military families were going to be impacted financially and that we needed to help out."

This summer's insurance scandal did, however, give the FPA's efforts "more impetus," she acknowledged.

"It became even more [urgent] that something needs to be done," Ms. Lipson said. The scandal "brought the issue more into the limelight, and we didn't want to see the abuses perpetuated."

Just last week, Fort Worth, Texas-based First Command Financial Planning agreed to pay \$12 million to settle charges by NASD and the Securities and Exchange Commission that it used misleading sales material to promote high-fee mutual funds to military officers.

Local FPA chapter members said their pro-bono efforts were being driven by either personal involvement with the military or growing requests for help from local military bases or service families.

Ralph Lunt, a lieutenant colonel in the Air Force Reserve and a vice president for Strategic Capital Advisors in Cleveland, said that as the war intensified this year and more reservists were being called up, he realized that other reservists "might not be as familiar with the financial repercussions if they get called up."

As a result, he began giving training sessions to other planners who volunteered to do pro-bono work for

military families to explain such issues as "the unique qualities of military benefits" and how they meshed - or didn't - with a reservist's civilian benefits.

Mr. Lunt also began doing a personal-finance TV show on The Pentagon Channel, the military's in-house network, "to get the word out and educate people more."

In addition, he has met with the Volunteers of America, which has a military rehabilitation facility in Cleveland.

In 2005, Mr. Lunt said, local financial planners will be offering regularly scheduled classes on personal finance for servicemen undergoing rehabilitation. "These are veterans who will be re-entering the work force," he said, "and they need to know as much as possible."

Pat McDonald, another planner with ties to the military, contacted his local Red Cross chapter in Orange County, Calif., earlier this year. It put him in touch with a Marine Corps base in the area.

Mr. McDonald, who is an Air Force veteran and owns an eponymous financial planning firm in Placentia, Calif., set up a group of planners who will offer financial counseling to families of active-duty casualties next year.

"We'll help them deal with benefits, as well as collecting insurance and their children's education and any other estate or budget

planning need they may have," he said.

Vietnam veteran **Steven D. Wightman, principal of Lexington, Mass.-based Wightman Financial Network LLC**, said he became aware of reservists' need for financial planning assistance when he was called up for the first Gulf War in 1991. "I made up my will and packed my bags," he recalled.

This year, Mr. Wightman is working with four other local planners and offering a seminar to 200 reservists at nearby Fort Devens on such matters as wills, debt management, educational benefits for reservists and available financial planning resources.

Mr. Passacantando said 43 financial planners throughout Massachusetts have volunteered to do pro-bono work with soldiers and their families, including those at Fort Devens.

Initially, he said, it was difficult to persuade the military command to open its doors.

But when Mr. Passacantando asked the officers if they wanted the soldiers "thinking about their personal financial problems instead of bullets flying around them, that did the trick," he recalled. "The

Marines said, 'When can you come?'"

Currently, Mr. Passacantando said, planners in Massachusetts are answering questions from servicemen by e-mail, phone or in one-on-one sessions.

Next year, he said, the FPA hopes to heighten awareness of the program for all branches of the military around the country.

"With increased communication and cooperation from the military," Mr. Passacantando said, "we want to leverage what we've done with national and other state chapters. The country is in a unique situation right now, and we want to make a difference."