NAPFA's Founders Pioneered the Financial Planning Profession

How the Fee-Only Compensation Model Created the Opportunity for
Objective, Comprehensive Financial Planning Advice

An AdvisorSmart report on how the fee-only compensation model created the opportunity for objective, comprehensive financial planning advice

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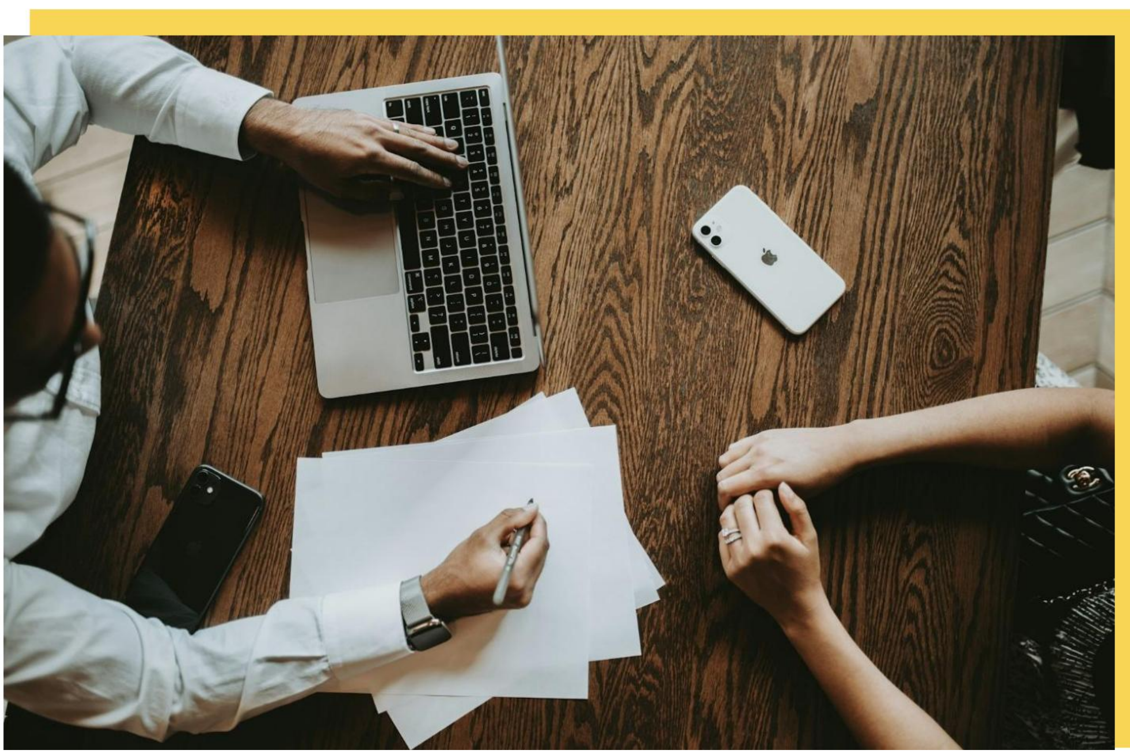

What's Inside

Executive Summary

This report argues that the founders of the National Association of Personal Financial Advisors (NAPFA) helped pioneer the financial planning profession by drawing a boundary that consumers could understand: professional financial planning advice should be comprehensive, fee-only, and free from product-sales compensation.

The claim is intentionally bold, but it is also carefully defined. Dave Yeske has written that the broader institutional birth year for the professional practice of financial planning is generally understood to be 1969, when Loren Dunton convened a meeting near Chicago that led to the creation of the College for Financial Planning, the IAFP, and related institutions. This report accepts that broader institutional history, but focuses on a more specific question: when did financial planning become a consumer-protective profession rather than a distribution channel for financial products?

The answer offered here is that NAPFA's founders gave the emerging profession its sharpest professional identity. NAPFA did not merely promote financial planning. It promoted comprehensive, fee-only financial planning. It did not merely encourage education. It required standards. It did not merely use the word fiduciary. It enforced membership criteria tied to the sale of financial products.

This report is grounded primarily in the words of three early NAPFA leaders: Gary Pittsford, John Sestina, and Mike Leonetti. Their recollections are powerful because they are not abstract theory. They explain what the founders saw, what they rejected, and what they were trying to build for consumers.

> *"We wanted to advise people, we want to help people, we want to be your financial doctor. I do not want to sell you something."*

- Gary Pittsford interview, 2026

> *"We were just an organization trying to create a standard that the consumer could follow."*

- John Sestina interview, 2026

> *"You cannot put your advisor head on and then flip it off and put your commission sales hat on after that."*

- Mike Leonetti interview, 2026

The report uses the four purposes in the 1984 NAPFA Articles of Incorporation as its organizing structure. Those four purposes are not treated as historical decoration. They are treated as the governing architecture for understanding NAPFA's original role in creating a professional alternative to the commission-based financial services industry.

- Purpose #1 made comprehensive, fee-only financial planning the core practice to be fostered.
- Purpose #2 made professional competence an ongoing obligation, not a one-time credential.
- Purpose #3 made public awareness of fee-only financial planning a central consumer education mandate.
- Purpose #4 made enforcement of product-sales criteria the boundary that separated NAPFA from the sales culture in our country.

The report also incorporates Don Trone's article "What Will It Take To Make It a Profession?" to clarify that a profession requires defined practices, ethical procedures, fiduciary responsibility, advanced training, and a way to measure professional judgment. It incorporates Dave Yeske's concise history to place NAPFA in the broader institutional development of financial planning. Together, those sources show that a profession is not created by a label. It is created by standards, education, accountability, public purpose, and boundaries.

Introduction: Why This Report Was Written

This report began with a troubling question: can NAPFA remain true to its founding purpose if it moves away from explaining the consumer benefits of comprehensive, fee-only financial planning?

In the fall of 2025, Knut Rostad informed me that NAPFA had released a new strategic plan that did not use the term fee-only. My first reaction was disbelief. Fee-only compensation was not a side issue in NAPFA's history. It was the key differentiator that gave NAPFA its reason for being.

When I reviewed the strategic plan and confirmed the omission, I was shocked.

A meeting was later arranged with NAPFA leadership to discuss the strategic plan. In that conversation, I heard that the plan was pivoting toward newer themes such as fiduciary and inclusion, and that some current and former board members believed it was too hard to explain the benefits to the consumer of comprehensive, fee-only financial advice. That statement became the catalyst for this report.

When I mentioned the controversy to my wife, her reaction was immediate: "Isn't fee-only why they exist?"

That simple question led me back to the original source document: the 1984 NAPFA Articles of Incorporation.

The Articles of Incorporation, filed in Indiana on January 16, 1984, state four purposes for the organization:

1. To foster the practice of comprehensive, fee-only financial planning.
2. To provide opportunities for financial planners to increase their skills, knowledge, techniques, methods and tools of practicing financial planning.
3. To promote public awareness of financial planning and the alternative of fee-only financial planning assistance.
4. To establish and enforce criteria for its membership with regard to the sales of financial products.

Those four purposes raised the central question that drives this report: did NAPFA's current leadership still understand the organization's roots? More importantly, did the broader financial planning community understand why NAPFA was created in the first place?

The title of this report has been carefully chosen. NAPFA did not create every organization, credential, association, school, or regulatory framework that is now part of the financial planning profession. The financial planning profession is broader than NAPFA. It includes many separate organizations, institutions, designations, educators, regulators, practitioners, and professional communities.

But the founders of NAPFA did something historically important. They pioneered the delivery of objective, comprehensive, fee-only financial planning advice as a professional alternative to commission-based product sales.

In my view, that was the moment the financial planning profession truly began.

The date of NAPFA's incorporation was not merely an administrative filing date. It was the moment when a group of courageous and visionary financial planners institutionalized a new professional boundary. They said, in effect, that financial planning advice should be comprehensive, that the advisor should be paid by the client, and that the advisor should not be compensated through the sale of financial products.

That idea changed everything.

Before NAPFA, financial planning was often entangled with product distribution. Many people who called themselves financial planners were compensated by commissions, referral fees, insurance sales, investment products, limited partnerships, tax shelters, or other financial products. The consumer could not easily determine whether the recommendation was objective advice or compensated sales activity.

The founders of NAPFA focused on the key differentiator that made objective advice possible: fee-only compensation.

Fee-only compensation did not make every advisor perfect. It did not eliminate every conflict of interest. It did not, by itself, create the entire profession. But it created the opportunity for financial planners to provide objective advice without the most obvious conflict of interest: being paid to sell the financial products they recommended.

That is why NAPFA's founding matters.

The founders did not merely start another association. They created a professional home for financial planners who wanted to sit on the same side of the table as the client. They initiated a movement that allowed consumers, journalists, and other professionals to distinguish between advice and sales. They helped define the professional identity of comprehensive, fee-only financial planning.

In response to the current concerns about NAPFA's direction, I began interviewing founders and early leaders, starting with the first three presidents of NAPFA. The objective was not to write a nostalgic history. The objective was to recover the original professional logic of NAPFA from the people who built it.

This report is therefore both historical and practical. It is historical because it documents the early leaders' recollections about how and why NAPFA began. It is practical because history can help today's leaders avoid mission drift, understand their fiduciary and governance responsibilities, and make informed decisions that remain aligned with the founding documents.

Georg Wilhelm Friedrich Hegel is often remembered for the warning that people struggle to learn from history. The financial planning profession should not make that mistake.

The founders of NAPFA gave the profession a powerful beginning. Today's leaders have a responsibility to understand it, preserve it, and build upon it.

Methodology: Let the Early Leaders Speak

The core source material for this report consists of interviews with Gary Pittsford, John Sestina, and Mike Leonetti, along with early NAPFA governing documents and historical materials. The report is intentionally organized around the four purposes in the 1984 Articles of Incorporation because those purposes provide the best available statement of the founders' original intent.

The report also draws on third-party sources to define the larger concept of a profession. Don Trone's "What Will It Take To Make It a Profession?" is used to clarify the elements of professional status: defined practice standards, fiduciary status, ethical procedures, advanced training, and a process for applying judgment. Dave Yeske's "A Concise History of the Financial Planning Profession" is used to place NAPFA in the larger institutional history that began with the 1969 Dunton meeting, the College for Financial Planning, the CFP designation, the IAFP, and the ICFP.

The quotes in this report have been lightly edited for punctuation, readability, and obvious transcription errors. The meaning has not been changed. Before final publication, direct quotations should be verified against the original recordings.

This report is also intentionally focused on the early leaders' words. Outside sources provide context, but the heart of the report is what Gary Pittsford, John Sestina, and Mike Leonetti said about the purpose, meaning, and consumer value of NAPFA.

What Is a Profession?

The word profession is often used casually. People speak of professional athletes, professional speakers, professional managers, and professional salespeople. But in the context of advice, the word profession should mean something more demanding. A profession is a trusted social institution built on specialized knowledge, public purpose, standards of practice, ethical obligations, accountability, and a duty to place the person served ahead of the professional's own self-interest.

Don Trone's article "What Will It Take To Make It a Profession?" is especially useful because it asks whether investment advice had earned professional status. Trone wrote that investment advice was still in its infancy and raised a set of hard questions: Are there defined practice standards? Are those practices integrated with ethical procedures? Are there requirements for advanced training and education? His answer at that time was blunt: not yet.

Trone's framework helps explain why NAPFA mattered. A profession cannot be created by marketing language. It must be built from practices, standards, education, fiduciary responsibility, and ethical decision-making. It must also be capable of helping practitioners decide what to do when facts are murky, incentives are tempting, and the client's welfare may conflict with the practitioner's compensation.

Trone emphasized that a mature profession requires defined practices that are comprehensive, understandable, and applicable across engagements. He also emphasized that regulations alone will not protect the investor. Ethical behavior requires more than compliance with rules; it requires judgment, factual information, and a commitment to doing what is right.

This is where NAPFA's original design becomes so important. NAPFA did not try to fix every weakness in the financial services industry. It created a professional membership organization that set a clear boundary: comprehensive financial planning advice should be delivered for compensation paid by the client, not by product manufacturers or sales channels.

> *"There has to be a means of measuring both objective and subjective decisions made by the professional."*
>
> *- Don Trone, "What Will It Take To Make It a Profession?"*

The early NAPFA leaders did not use every academic phrase that later writers would use to describe professionalization. But their practical insight aligned with Trone's theory: a profession needs standards, practices, ethical discipline, and a method for separating professional judgment from self-interested sales incentives.

How Other Advice Professions Treat Product-Sales Conflicts

Another way to define a profession is to ask how it handles the conflict created when a trusted adviser also sells products to the person relying on that advice. Mature advice professions do not pretend this conflict is irrelevant. They identify it, restrict it, require disclosure and consent, or prohibit certain transactions.

The accounting profession addresses conflicts through rules on integrity, objectivity, independence, commissions, referral fees, and client consent. The legal profession addresses conflicts through duties of loyalty, independent judgment, and restrictions on business transactions with clients. The medical profession recognizes that physician sales of health-related products can create conflicts of interest, pressure patients, and erode trust. The dental profession similarly grounds professional ethics in veracity, patient welfare, and restrictions on improper rebates or compensation arrangements.

These professions do not all use the same rules, but they share an important premise: when a client, patient, or consumer relies on professional advice, compensation conflicts must be treated as professional ethics issues, not merely sales disclosures.

This comparison supports the central thesis of this report. A person may be licensed, knowledgeable, successful, and well-intentioned while selling financial products. But if the person's compensation depends on the client purchasing a product, that person is operating inside the financial services sales industry. The early NAPFA leaders were trying to create something different: a financial planning profession.

Dave Yeske and the Institutional History of Financial Planning

Dave Yeske's "A Concise History of the Financial Planning Profession" provides the broader institutional background for this report. Yeske wrote that if we are talking about the professional practice of financial planning as generally known today, there is near universal agreement that the birth year was 1969. That was the year Loren Dunton convened a meeting of financial service industry leaders near Chicago's O'Hare airport to discuss the creation of a new profession.

From that 1969 meeting came the institutional foundations of the profession: the International Association for Financial Planning, the College for Financial Planning, the CFP designation, and the Institute of Certified Financial Planners. Yeske's history also explains the later development of CFP Board, financial planning education, pro bono financial planning, and the 2000 merger that created the Financial Planning Association.

Dave Yeske's "A Concise History of the Financial Planning Profession" provides the broader institutional history of financial planning, including the 1969 Loren Dunton meeting, the creation of the IAFP, the College for Financial Planning, the CFP designation, ICFP, CFP Board, and the later formation of NAPFA. Yeske's concise history is useful because it places NAPFA within the larger development of the financial planning profession. But for this report, which focuses specifically on NAPFA's role in the emergence of comprehensive, fee-only financial planning, one additional pre-NAPFA story deserves special attention: the Society of Independent Financial Advisors, or SIFA.

Yeske explains where NAPFA fits in the broader institutional history of financial planning; SIFA explains how the fee-only planners found one another before NAPFA became a public-facing national association. A more detailed history of SIFA, including its role as the seedbed of NAPFA and the fee-only financial planning movement, is included in Appendix D.

Yeske places NAPFA in that broader landscape as a smaller organization with outsized influence. He notes that NAPFA was formed in 1983 and that its mission and purpose were, from the beginning, to support and promote the delivery of fee-only financial planning advice.

That description is crucial. The financial planning profession did not begin with NAPFA alone. But NAPFA performed a unique function that the broader institutions did not perform with the same clarity: it separated comprehensive planning advice from product compensation. In that sense, NAPFA did not create every institution of financial planning. It created the clearest professional boundary for consumer-protective financial planning.

> *"NAPFA has nonetheless managed to wield an outsized influence in the public realm."*
>
> *- Dave Yeske, "A Concise History of the Financial Planning Profession"*

The argument of this report therefore refines the title. NAPFA's founders pioneered the financial planning profession in the sense that they gave the profession its most important public boundary: comprehensive advice, fee-only compensation, and enforceable membership criteria regarding product sales. That boundary is what allowed consumers to distinguish professional advice from financial product distribution.

The Early NAPFA Story: From Isolated Fee-Only Planners to a National Association

Before NAPFA, there was isolation. Fee-only planners existed, but many did not know each other. They were scattered across the country and often found one another at conferences dominated by brokers, insurance salespeople, and product distribution channels.

Gary Pittsford recalled that he started his fee-only firm in April 1973 and initially thought he might be the only person taking that approach. At IAFP conventions, he eventually met others such as Bob Underwood, John Sestina, J.D. Schwartz, Terry Gill, Richie Lee, Mary Malgoire, Mike Leonetti, Richard Whitehead, Bob Wagner, Robert Willard, and J. Randall Hedlund. The network grew from a handful of practitioners to a loose group of roughly 100 by 1983.

> *"I wanted to help people, not sell things."*
>
> *- Gary Pittsford interview, 2026*

> *"It was good to meet other fee-only people who wanted to give advice and not sell products."*
>
> *- Gary Pittsford interview, 2026*

The early planners shared practical concerns: hourly rates, marketing, client contracts, plan preparation, software, staffing, practice management, and how to build a firm without commissions. But their conversations also had a deeper professional purpose. They were trying to build a model in which clients could pay directly for advice and know the advisor was not being paid by a product provider.

> *"The typical financial world in the 70s was mostly selling stocks, bonds, mutual funds, life insurance, and tax shelters."*
>
> *- Gary Pittsford interview, 2026*

The breakthrough came during an IAFP convention in Atlanta in February 1983, when Bob Underwood and John Sestina helped arrange a meeting room for fee-only planners. The group agreed that they wanted to form their own organization. A steering committee was created. By September 1983, at an IAFP convention in Las Vegas, Gary Pittsford was elected the first president of the new organization.

The significance of that moment should not be understated. The early NAPFA leaders were not merely organizing a networking group. They were creating a professional home for advisors who were uncomfortable inside a product-sales culture.

> *"The important feeling that everyone had who were new members of NAPFA was that they wanted an organization where everyone thought as they did and could openly talk about their ideas and concerns."*
>
> *- Gary Pittsford, "The Beginning of NAPFA"*

The 1984 NAPFA Articles of Incorporation as the Foundational Framework

The 1984 Articles of Incorporation are the foundation for this report because they state the original purposes for which NAPFA was formed. They do not mention marketing trends, growth initiatives, inclusion initiatives, fiduciary branding, or broad financial services collaboration. They state four purposes grounded in comprehensive, fee-only financial planning, professional competence, public awareness, and membership criteria regarding product sales.

The four purposes work together. Purpose #1 defines the practice. Purpose #2 defines the competence required to deliver the practice. Purpose #3 defines the public education mandate. Purpose #4 defines the boundary that protects the practice from product-sales conflicts.

Read together, the Articles describe a professional membership organization with a consumer-protective mission. NAPFA existed to foster a particular form of financial planning, educate and improve practitioners, tell the public about that alternative, and enforce standards regarding sales of financial products.

> *"If you apply those original terms, it is pretty clear what we are talking about."*

- John Sestina interview, 2026

> *"I would say we want to use the same definition as we used when we started."*

- Mike Leonetti interview, 2026

> *"We probably did not realize it at the time, but once those were laid out, we wanted to make sure we stuck to our guns."*

- Mike Leonetti interview, 2026

Purpose #1: Foster the Practice of Comprehensive, Fee-Only Financial Planning

Purpose #1 is the foundation: "To foster the practice of comprehensive, fee-only financial planning." Every word matters. NAPFA was not formed merely to foster investment management, insurance analysis, retirement projections, tax shelters, or asset gathering. It was formed to foster the practice of comprehensive, fee-only financial planning.

The word foster implies active support. NAPFA was not supposed to merely recognize or tolerate comprehensive, fee-only financial planning. It was supposed to encourage it, develop it, advance it, and help it grow as a professional practice.

The word comprehensive distinguished planning from product placement. A planner who examined only investments, insurance, or tax shelters could miss the way one part of a client's financial life affected another. The early NAPFA leaders understood that product sales often narrowed the conversation to the product being sold. Comprehensive planning expanded the conversation to the client's life.

> *"That is why we talked about comprehensive planning. That is why it was in the definition."*

- John Sestina interview, 2026

The phrase fee-only was equally central. John Sestina made the point bluntly: fee-only was not merely a term; it was the concept. It meant the client paid the advisor and that the advisor did not receive additional compensation from product sales, commissions, referral arrangements, or hidden sources.

> *"It was not the term. It was the concept."*

- John Sestina interview, 2026

> *"Fee-only is fee-only. It is self-descriptive. That contains the whole message."*

- John Sestina interview, 2026

> *"Pay for the service you get and nothing else. There are no extras."*

- John Sestina interview, 2026

Mike Leonetti described the same boundary in professional terms. Financial planners wanted to be viewed like CPAs and attorneys: paid for advice, trusted to be on the client's side, and not economically dependent on selling a product after giving advice.

> *"We wanted to create that kind of environment for financial advisors. You hire us, you pay us a fee to be your advisor, to give you the best advice."*

- Mike Leonetti interview, 2026

> *"The solution will not only be products that we are going to sell because we are not selling any products."*

- Mike Leonetti interview, 2026

Gary Pittsford described the same idea in consumer language. A client should not feel like a shopper on a car lot being approached by a salesperson who is compensated only if something is sold. The client should experience the relationship more like a professional relationship with a lawyer or accountant.

> *"When you go to a car dealer, the guy comes running out because you know he is going to get a commission from selling something. I did not want my clients to feel like that."*

- Gary Pittsford interview, 2026

Purpose #1 therefore did more than name a service model. It declared what kind of professional practice NAPFA existed to build: comprehensive advice, paid for by the client, with no product-sales compensation distorting the advisor's judgment.

Purpose #2: Increase Skills, Knowledge, Techniques, Methods, and Tools

Purpose #2 states that NAPFA existed "to provide opportunities for financial planners to increase their skills, knowledge, techniques, methods and tools of practicing financial planning." This purpose shows that the founders understood a profession must be built through competence, not just compensation.

Fee-only compensation removed a major conflict, but it did not automatically create competence. The early NAPFA leaders needed to learn from one another because there were few models for how to operate a successful fee-only financial planning practice. They needed to know how to charge, how to write plans, how to analyze investments and insurance without selling them, how to hire staff, how to structure client contracts, and how to build sustainable firms.

> *"Some of the things we discussed were what was a fair hourly rate, marketing our firms, client contracts, plan preparation, software, and how to hire staff and build a profitable firm."*

- Gary Pittsford, "The Beginning of NAPFA"

The early conferences and newsletters were not simply networking events. They were professional infrastructure. They helped practitioners build the methods and tools needed to practice comprehensive, fee-only planning.

> *"At the early conventions, members were delighted to be in classes where the topics fit their approach to the financial planning industry."*

- Gary Pittsford, "The Beginning of NAPFA"

This is where Don Trone's framework is again useful. Trone argued that a profession requires advanced training and education, defined practice standards, and ethical procedures. NAPFA's early leaders were working toward that goal from the bottom up. They were not starting with a university curriculum or a regulator's rulebook. They were building a peer community that could teach itself how to practice in a new way.

Professional competence also required the ability to evaluate products without being paid by product providers. Mike Leonetti emphasized that a fee-only advisor might still recommend a product when a product was appropriate, but the advisor's compensation could not depend on that recommendation.

> *"We have got to get you the best product if it is a product answer. A lot of times it could be just a recommendation of a different way to go at something where you do not really need a product."*

- Mike Leonetti interview, 2026

> *"The client needs to know that even if you are using this outside advisor, you are not getting any compensation from that."*

- Mike Leonetti interview, 2026

Purpose #2 also explains why NAPFA mattered to the practitioners themselves. Many early fee-only planners were pioneers without a map. NAPFA gave them a place to learn, test ideas, compare methods, and improve the quality of advice they delivered to consumers.

Purpose #3: Promote Public Awareness of Financial Planning and the Alternative of Fee-Only Planning Assistance

Purpose #3 states that NAPFA existed "to promote public awareness of financial planning and the alternative of fee-only financial planning assistance." This purpose is central because it defines NAPFA as more than an inward-facing professional club. It gave NAPFA a public education mandate.

The wording is revealing. NAPFA was not created only to promote financial planning in general. It was created to promote public awareness of financial planning and the alternative of fee-only financial planning assistance. The word alternative implies that consumers were already being offered another model: product-driven financial advice.

John Sestina described the consumer problem simply. Consumers did not know what they were paying or who was being paid. Hidden commissions, markups, loads, trailers, and product compensation created an ambiguous relationship. Fee-only planning created a direct relationship.

> *"Somebody had to make a stand so they would know that they were getting what they paid for, and the person was not receiving any other money except the fee that the client paid him."*

- John Sestina interview, 2026

> *"It was a direct relationship between the client and the fee. The client paid the fee and knew what he was paying."*

- John Sestina interview, 2026

Purpose #3 also required NAPFA to explain the difference between fee-only and fee-based or commission-based models. Gary Pittsford observed that the fight between fee-only and fee-based language continues because many consumers still do not understand the difference.

> *"If you talk to 10 people on the sidewalk, nine of them do not know the difference between fee-only and fee-based."*

- Gary Pittsford interview, 2026

> *"NAPFA should be continuing to educate people on fee-only. What is comprehensive advice? What is good advice? How do you know when you are getting good advice?"*

- Gary Pittsford interview, 2026

The founders promoted the message through conferences, press contacts, articles, and the credibility of practitioners who could explain the difference. John Sestina remembered that early NAPFA leaders connected with writers and repeatedly delivered the same message about fee-only financial planning.

> *"We were trying to hone in on the definition of the fee-only financial planner. We gave no ground. We all stood our ground."*

- John Sestina interview, 2026

> *"Whenever they invited us to talk, we would all say the same thing."*

- John Sestina interview, 2026

Purpose #3 remains one of NAPFA's most important obligations today. If NAPFA does not explain the benefits of comprehensive, fee-only financial planning, the sales industry will fill the vacuum with confusing language. Consumers will hear fiduciary, fee-based, wealth management, holistic advice, and comprehensive planning without knowing which labels identify advice and which labels mask product distribution.

Purpose #4: Establish and Enforce Criteria Regarding Sales of Financial Products

Purpose #4 states that NAPFA existed "to establish and enforce criteria for its membership with regard to the sales of financial products." This is the enforcement purpose. It gave the organization the ability - and the obligation - to decide who belonged inside the professional boundary and who did not.

This purpose is what made NAPFA different. Many organizations can offer education. Many can host conferences. Many can publish newsletters. But NAPFA's promise depended on enforcement. If product-sales compensation was allowed into the membership without meaningful limits, the public promise of fee-only planning would collapse.

> *"During those early days, much time was devoted to the discussion of what types of individuals would be allowed to become members. It was decided that anyone receiving commissions could not be a member."*

- Gary Pittsford, "The Beginning of NAPFA"

> *"Would NAPFA have been founded if fee-only compensation had not been a central principle? No."*

- John Sestina interview, 2026

John Sestina remembered the early standards as strict and simple. Applicants were reviewed by the group. Some were rejected. The early leaders believed quality mattered more than quantity.

> *"It was tough to get in in the beginning. That is why there were so few members."*

- John Sestina interview, 2026

> *"Most everyone agreed what fee-only was. The group was small enough, we could discuss each attendee and make the decision as a team."*

- John Sestina interview, 2026

The early leaders debated practical transition issues, including whether commissions could be offset against planning fees. Mike Leonetti recalled that some argued an offset could reduce client costs when no-commission products were not available. But the core concern remained the same: would the client be able to trust the advisor's professional judgment?

> *"There were big discussions for and against that because at the time you did not have a lot of fee-only products."*

- Mike Leonetti interview, 2026

Purpose #4 therefore turned fee-only from an aspiration into a membership requirement. It also gave consumers a standard they could understand. NAPFA members were not merely claiming to be good people. They were part of an organization that had criteria regarding the sale of financial products.

> *"The message was that you were going to get a competent advisor who was fee-only. The advisor is going to be on their side."*
>
> *- Mike Leonetti interview, 2026*

This purpose also helps answer the provocative question at the center of this report: can someone who sells financial products be part of the financial planning profession? In the NAPFA founding sense, the answer is no. Such a person may be part of the financial services industry, but the professional boundary NAPFA created was built on the separation of advice from product-sales compensation.

Lessons for Today

The early NAPFA story offers several lessons for the current financial planning profession.

- First, history matters. Organizations drift when their leaders forget why the organization was created.
- Second, language matters. Fee-only, comprehensive, financial planning, fiduciary, fee-based, and advice all mean different things to consumers and practitioners.
- Third, professional boundaries matter. A profession that refuses to define who is inside and who is outside eventually becomes indistinguishable from the industry around it.
- Fourth, public education matters. Consumers cannot choose objective advice if they do not understand the alternative to product-driven advice.
- Fifth, courage matters. The early NAPFA leaders were a small minority in an industry dominated by commissions, but they held their ground.

The challenge today is not merely to celebrate NAPFA's history. The challenge is to learn from it. If NAPFA weakens its language, broadens its identity, or downplays fee-only compensation because it is difficult to explain, it risks surrendering the very boundary that made it important to consumers.

> *"We were under a lot of pressure to change the way the organization was run, but they held fast to their ideals."*
>
> *- Gary Pittsford, "The Beginning of NAPFA"*

> *"We still believe that those are right. That is what it is going back to."*
>
> *- Mike Leonetti interview, 2026*

Conclusion: NAPFA Drew the Professional Boundary

The National Association of Personal Financial Advisors did not merely create another association. It created a professional boundary. That boundary separated comprehensive financial planning advice from the sale of financial products. The boundary was expressed in the 1984 Articles of Incorporation, reinforced through membership standards, taught through conferences and peer learning, and explained to the public through the fee-only message.

Dave Yeske's history shows that the broader institutional development of financial planning began before NAPFA, especially with the 1969 Dunton meeting, the College for Financial Planning, the CFP designation, and the IAFP and ICFP. Don Trone's profession framework shows that a true profession requires standards, fiduciary responsibility, ethical procedures, training, and disciplined judgment. The early NAPFA leaders show how those ideas were translated into a consumer-protective membership organization.

The title of this report is intentionally bold: NAPFA's Founders Pioneered the Financial Planning Profession. More precisely, NAPFA's founders helped initiate the fee-only financial planning profession by giving the emerging field its clearest professional identity and its most important consumer-facing distinction.

That is why the words of the early leaders matter. They remind us that NAPFA was built by people who had the courage to reject product-sales compensation and the vision to build a professional home for comprehensive, fee-only advice. Their message is not complicated. It is simple, powerful, and still relevant: the client should know what they are paying, who they are paying, and that the advisor is on their side.

> *"I work for the consumer, the client, and what you pay me is all that there is cost."*
>
> *- John Sestina interview, 2026*

Appendix A

George Kinder: Fee-Only Financial Planning, Life Planning, and the Fiduciary Meaning of Listening

George Kinder was not one of the legal incorporators of NAPFA, and he was not part of the early governance structure that drafted the 1984 Articles of Incorporation. His importance to this history is different. Kinder represents the type of early professional who saw NAPFA, understood immediately what it meant, and joined because the organization expressed a moral and professional idea that he had been searching for: financial planning should be about helping people live meaningful lives, not selling them financial products.

Kinder's recollection of discovering NAPFA is especially valuable because it shows how the new organization was perceived by thoughtful practitioners outside the original founding circle. To Kinder, NAPFA was not simply another membership association. It was a signal that a different kind of financial advice profession was possible.

Discovering the Problem: "This Isn't Financial Planning"

Kinder began his professional life as a tax accountant. He was drawn to tax work partly because it allowed him to earn a living while preserving time for the deeper life he wanted to pursue: art, philosophy, spirituality, wisdom, and freedom. He described himself as someone who "didn't want to make a living" so much as he "wanted to live in what I thought of as freedom."

That pursuit of freedom eventually led him to financial planning. But his first encounter with the financial planning marketplace was disappointing. He sought advice from sophisticated financial planners in Cambridge, Massachusetts, near Harvard and MIT. Instead of receiving objective planning advice, he encountered a sales process.

> *"They tried to sell me products," Kinder recalled, "very sophisticated, limited partnership kind of stuff that they'd set up really high fees for themselves in the process."*

His reaction was immediate and visceral: "Boy, these guys, this isn't financial planning."

Kinder was careful to note that the salespeople he encountered were not necessarily bad people. "They were nice people, of course they were," he said. "Sales people usually are." But the problem was structural. Their business model was not designed around his needs. "It wasn't serving my need."

That experience helped Kinder understand the difference between product distribution and financial planning. It also prepared him to recognize the significance of NAPFA when he first heard about the new fee-only organization.

Finding His Tribe: "These Are My Tribe"

Kinder remembers seeing a small announcement about a new group of planners who were organizing around fee-only financial planning. The announcement, as he recalls it, mentioned a group of planners meeting in Atlanta to form a fee-only organization around financial planning.

His reaction was powerful: "Wow, these are, this is my tribe."

For Kinder, the phrase "fee-only" carried immediate meaning. It was not merely a compensation label. It was a professional identity. It meant these planners were not going to pull clients into products with hidden or excessive compensation. It meant they were serious about helping people.

> *"If it's fee only," Kinder said, "they're not selling commission, they're not going to bring me in and try to reel me into some limited partnership with 25% fees on it, and they're going to be serious about helping people."*

That is why NAPFA mattered to him. The organization expressed, in a simple and practical way, the difference between a client-centered profession and a product-sales industry.

> *"It was fee only that said that to me," Kinder explained. "I never heard that before but having experienced the lack of professionalism around really thinking of me as a client and putting my interests first, I thought these guys, these guys know what that's about."*

Kinder joined NAPFA immediately. His comment about that decision deserves to be preserved as one of the most powerful testimonials about NAPFA's early meaning:

> *"I joined them right away, and they were probably the organization, without question, they're the organization I've been most proud of joining in my entire life."*

The Radical Nature of Fee-Only

Kinder's excitement about NAPFA was grounded in his understanding of the financial services industry at the time. The major firms were product driven. Brokerage firms were commission driven. Financial advice was too often a means to sell investments, insurance, or limited partnerships.

Kinder described NAPFA's fee-only message as "radical." It was radical because it stood against the dominant business model of Wall Street.

> *"It was the fee-only message," he said, "and the radical nature of that, and standing in the face of this huge industry, realizing that the Merrill Lynch's, the Smith Barneys, all of the brokerage firms were commissioned and didn't understand what I thought money should be all about."*

For Kinder, money was not primarily about accumulation, investment selection, or product placement. Rather, money was directly connected to freedom, meaning, family, values, spirituality, creativity, philanthropy, community, and place. Financial planning, properly understood, should help people move toward their deepest life aspirations.

That is why selling products under the banner of financial planning felt so wrong to him. The product sales model did not begin by listening to the client's life. It began with the advisor's product shelf.

Fee-Only as a Statement: "I'm on Your Side"

Kinder's explanation of fee-only compensation is one of the clearest statements in the interview. He connected fee-only compensation to trust, listening, and the advisor's ability to stand on the client's side of the table.

> *"The early passion for that around fee only was just if somebody's selling a product to me, how can they be putting me first?" he asked. "How can they be listening to me, and if all they got is kind of one product or one narrow range of products again, how can they be listening to me, and to who I am, and to what I really want?"*

Kinder's answer is that they cannot—not fully.

For him, fee-only compensation is not the whole of fiduciary conduct, but it is a visible and concrete sign that the advisor is trying to eliminate the most obvious product-sales conflict.

> *"Fee only is so specific about I'm on your side," Kinder said. "It really is a statement about listening, but it's more about, look, here's an objective thing that you can see, and you can know I'm on your side. I'm not going to sell you a product for what you think of as your life or what's most meaningful to you."*

This is why Kinder continues to believe fee-only remains central to NAPFA's identity. He said that even today, when he reads NAPFA fiduciary language, "the one line about fee only" stands out because it is so unusual and so powerful.

> *“I think it’s the most important thing,” he said, “for what that’s worth.”*

The Three Elements of Fiduciary Financial Planning

Kinder’s contribution to the profession was not limited to fee-only compensation. His work helped expand the understanding of financial planning from technical planning to life planning. In the interview, he described three elements that, together, form his understanding of fiduciary financial planning:

Fee-only compensation

Comprehensive financial planning

Life Planning, putting the client first through a process of profound listening

Kinder said: “I realized that fiduciary had those three elements for me: the fee only, the comprehensive, and putting the client first.”

But Kinder’s definition of “putting the client first” goes beyond regulatory compliance. It requires the advisor to listen deeply enough to understand who the client is, and employing a listening process that enables the client to discover and then live the life that matters most to them.

> *“Putting the client first means that after they work with me, they’re going to live their best life,” he said. “And what’s cool is I’m not going to define it, but because of intentional, trustworthy listening they’re going to tell me what that life is. The greatest reward of being a fiduciary is watching your clients live into their definition of freedom.”*

This is the bridge between NAPFA’s founding principles and Kinder’s later life planning movement. NAPFA drew a professional boundary around compensation and product sales. Kinder added a deeper relational and human dimension: the advisor’s work is to listen so well that the client feels safe enough to reveal who they really are and what they really want.

Listening as Fiduciary Conduct

Kinder’s view of fiduciary responsibility is rooted in listening. He believes that the first step in putting the client first is to remove the advisor’s own agenda.

> *“How do you put the client first?” he asked. “I think the first thing is really listening, listening to them.”*

He described the listening skills he teaches as “empathic,” “quiet,” “alert to inspirations” and agenda-free. The advisor is not selling a product, not selling assets under management, not selling a prepackaged solution, and not trying to fit the client into the advisor’s model.

> *“You aren’t selling anything,” Kinder said. “You’re just there for the client. That’s putting the client first. You’re listening to who they really are and what they really want.”*

This is a profound expansion of the fiduciary concept. It moves fiduciary responsibility beyond compensation structure and legal duty into the quality of the human relationship. If the advisor is truly listening, the advisor may even conclude that someone else is better suited to help the client. Kinder described that possibility as part of the fiduciary posture: “It may be at the end of the meeting you refer them to somebody else. Whatever happens, your passion is to help them move toward their own definition of freedom, not toward your accounts.”

Comprehensive Planning and Life Planning

Kinder believes comprehensive financial planning strengthens the fiduciary relationship because it allows the advisor to connect financial advice to the client's whole life. He praised the CFP framework as "very helpful being comprehensive," but he also argued that financial planning reaches its highest form when technical competence is joined with life planning and deep listening.

When asked how comprehensive financial planning strengthens a fiduciary relationship, Kinder connected the answer to life planning:

> *"If you mean by comprehensive as including really quality life planning, really great listening, I mean, we call our program EVOKE®, and if it has that quality of really listening to the client's profound aspirations, and then really supporting them in accomplishing them in relatively short order, you've got a client for life."*

Kinder believes the reason is simple. When an advisor combines financial competence with deep listening, the client understands that the advisor is not merely managing money. The advisor is helping the client live a better life.

> *"You're delivering something remarkable into the world," Kinder said. "You're delivering a human being at their very best into the world, and they know it."*

A True Fiduciary Versus a Compliance Fiduciary

Kinder draws a sharp distinction between a truly fiduciary financial planner and an advisor who merely complies with regulations. When asked what distinguishes the two, he answered that the key is "a passion to put the client first."

He described the true fiduciary as someone with "a passion to deliver the client into their life of greatest meaning, greatest purpose, greatest freedom, using all the skills of finance."

If reduced to a skill set, Kinder said the most important skill is "great listening."

> *"If you're a great listener," he said, "you're going to put the client first. But if you're just following, you know, the rules and regulations, you're not listening."*

This distinction is important for the history of NAPFA because NAPFA's founding principles were never merely about minimum legal compliance. The founders and early members were trying to build a professional community around a better way to serve consumers.

Advice to Younger Financial Planners: "Make Sure You Go Fee Only"

Kinder's advice to younger financial planners is direct. Many younger planners face a choice between commission-driven jobs and advice-driven, fee-only work. Kinder believes the decision matters enormously.

> *"The first thing that I probably say," he explained, "is make sure you go fee only, because that's absolutely the future of financial advice, and it's what's doing the best work for the client, and I know that's who you really want to be."*

He also encourages younger planners to pursue life planning training as a first training because it develops the listening skills that allow technical financial planning knowledge to be used in service of the client's real life.

His advice is not merely about career development. It is about professional identity. The young planner must decide whether to become a product salesperson or a true financial planning professional.

NAPFA's Place in the Creation of the Profession

Kinder strongly agreed with the idea that NAPFA played a central role in creating the financial planning profession. He acknowledged that others may argue that the CFP Board or Financial Planning Association represents the profession. But in his view, NAPFA expressed the key professional distinction: client-first advice separated from product sales.

When the idea was stated that NAPFA started the financial planning profession, Kinder responded: "I love it, David, I love it, I love it."

He said that the claim is "in the spirit of NAPFA from way back" because NAPFA was the organization that said, in effect: "No, we really are client first."

Kinder's reflection also offers a useful framework for distinguishing degrees of fiduciary strength. He said that if a planner has two of three elements—comprehensive planning, full life planning/listening, or fee-only—the client will likely do pretty well. But when all three are present, the result is most powerful.

> *"All three makes them a true fiduciary," he said.*

Why George Kinder's Story Belongs in This Report

George Kinder's memories belong in this report because they show what NAPFA meant to an early practitioner who was searching for a genuine profession. He encountered product-driven financial planning and rejected it. He saw fee-only financial planning and recognized it immediately as a different kind of professional promise. He joined NAPFA because he believed the organization stood for something courageous, radical, and consumer-centered.

His words help explain why NAPFA mattered then and why its founding purposes still matter today.

NAPFA was not merely a trade association. For George Kinder, it was the organization that said financial planning could be something more than sales. It could be a fiduciary profession grounded in fee-only compensation, comprehensive advice, and profound listening that put the client first.

That is why his early reaction remains so powerful:

> *"Wow, these are, this is my tribe."*

And that is why his later conclusion remains so important:

> *"Fee only is so specific about I'm on your side."*

Appendix B

Gary Schatsky: Why Consumers Need Comprehensive, Fee-Only Financial Planning Advice

Gary Schatsky's perspective belongs in this report because he represents one of the early NAPFA leaders who understood that the word comprehensive was not decorative. It was essential.

For Schatsky, NAPFA's importance to consumers was not merely that its members were fee-only. Fee-only compensation was critical because it helped eliminate product-sales conflicts. But fee-only alone was not enough. The advisor also had to be willing and able to understand the client's full financial life.

Schatsky's central message is direct: consumers are not well served when an advisor looks at only one part of their financial picture. Investment advice cannot be separated from tax planning. Tax planning cannot be separated from retirement planning. Retirement planning cannot be separated from estate planning, insurance, debt, family circumstances, and cash flow.

As Schatsky explained:

> *"You can't have someone who's closing one eye and focusing on one issue when investment allocation is no more important than tax planning, which is no more important than debt planning. They're all completely integrated."*

That sentence captures his view of the financial planning profession. Financial planning is not product placement. It is not portfolio management in isolation. It is not a narrow analysis of one account, one policy, one tax strategy, or one investment allocation. Financial planning, properly understood, requires the advisor to see the whole picture.

The Consumer Problem: Advice in Silos

Schatsky entered the financial planning world because he saw a gap between what consumers needed and what the financial services industry was offering. He had early exposure to brokerage firms and the sales culture of financial services. What he saw did not look like impartial advice.

He recalled that there "really wasn't much advice." There were brokerage firms. There were money managers. There were product sellers. But he believed the public needed something different: impartial advisors who could integrate the many moving parts of a client's financial life.

He asked a question that still matters today:

> *"Don't people need impartial advisors who are not just mere money managers?"*

For Schatsky, the word "mere" was intentional. He was not saying investments were unimportant. He was saying investments were not enough. A money manager may help with a portfolio, but a comprehensive financial planner must understand the entire financial household.

He explained that even brilliant professors and mentors often had expertise in one area but not the broad practical knowledge required to advise real people with complicated lives.

> *"They might have known about investments," he said. "Some of them might have known about taxes, some of them might have known about some legal things, but they didn't incorporate all of it."*

That lack of integration was the problem.

The public needed someone who could connect the dots.

> *“The Goal Is to Know 360 Degrees of Someone’s World”*

Schatsky’s most concise description of comprehensive financial planning is this:

> *“The goal is to know 360 degrees of someone’s world.”*

That is not a marketing slogan. It is a professional standard.

To know 360 degrees of a client’s world means the advisor must understand the client’s investments, taxes, debt, insurance, retirement plans, family circumstances, estate planning, charitable intent, business interests, employee benefits, risk tolerance, cash flow, and life goals.

A planner who looks only at investments cannot know whether the client should pay down debt, accelerate retirement contributions, make Roth conversions, change insurance coverage, revise estate documents, harvest tax losses, gift appreciated securities, refinance debt, or help a family member.

Schatsky believes a client’s financial life cannot be divided into isolated compartments.

As he put it:

> *“You can’t look at it in isolation.”*

That is why he refuses to provide narrow investment-only advice when the client will not share the broader financial picture. He gave the example of a person who wanted him to manage $10 million but refused to disclose other assets or tax information. Schatsky declined the engagement.

His reasoning was simple: he could not do the job properly without the whole picture.

> *“I’ve had people that have shown up with $10 million and they said I would like to pay you to manage $10 million but I won’t show you my other assets, and I won’t show you my tax return, and I said I don’t want to do that.”*

For Schatsky, that refusal was not a business mistake. It was a professional obligation.

Comprehensive Advice Is More Valuable Than Narrow Advice

Schatsky believes comprehensive planning often produces value that is invisible to advisors who focus only on investments. For example, debt management may produce a better outcome than a portfolio change.

He offered a simple example:

> *“I’d be happy to take money earning 3% and pay off a credit card you’re paying 10%.”*

That advice does not require a new investment product. It does not require a commission. It does not require a complicated portfolio model. It requires the advisor to know the client’s debt, cash flow, liquidity, tax situation, and risk profile.

The same is true for tax planning. Schatsky repeatedly emphasized that tax planning can be as important as investment allocation, and sometimes more important. A planner who does not review the client’s tax return may miss Roth conversion opportunities, tax-loss harvesting strategies, charitable giving techniques, asset-location decisions, or family gifting opportunities.

He explained:

> *“I need to see your tax return. I need to understand your debt. I need to know your family’s situation. I need to understand all the factors.”*

This is the heart of comprehensive planning. The advisor cannot know what advice is best until the advisor knows the client’s full situation.

Why "Comprehensive" Was Essential to NAPFA

Schatsky understood NAPFA as a professional association for planners committed to comprehensive, fee-only advice. When he found NAPFA, he found "like-minded people who were truly dedicated to comprehensive financial advice."

He recalled the early NAPFA community as a group of practitioners who were not focused on a label or moniker. They were focused on how advice should be practiced.

> *"They were dedicated to practicing that way," he said. "The public needs comprehensive advice."*

That is why the early NAPFA standards mattered. Schatsky believed NAPFA was not merely a directory. It was a filter for consumers. It stood for a higher standard of advice.

He explained that NAPFA historically required not only that members have the ability to provide comprehensive advice, but that they actually practice that way.

> *"NAPFA is the only vehicle that has, in the past, required you not just to have the skills, but to practice that way."*

That distinction is crucial. A professional may have education. A professional may have credentials. A professional may know how to talk about comprehensive planning. But the consumer is not protected unless the advisor actually provides comprehensive advice.

The Difference Between a Credential and a Professional Standard

Schatsky was candid about his concerns regarding credentials that do not require comprehensive practice. He did not deny that the CFP designation includes valuable education. But he did not believe the designation alone necessarily proved that the advisor would provide comprehensive advice.

In his view, the key question is not whether the advisor has studied multiple topics. The key question is whether the advisor is obligated to apply that knowledge to the client's full financial life.

He said:

> *"The CFP does not have bad training by any stretch."*

But he then emphasized the limitation:

> *"It's not a requirement that you go ahead and you do that."*

This was one reason Schatsky pushed hard for NAPFA to maintain its higher practice standard. He wanted NAPFA to be known not merely for education, but for the actual delivery of comprehensive, fee-only advice.

He described NAPFA's obligation this way:

> *"The goal was that NAPFA would require you to do comprehensive financial planning."*

That is an important distinction for consumers. A credential may indicate education. A professional association with strong membership standards may indicate how the advisor actually practices.

The Cost of Doing It Right

Schatsky also understands why comprehensive planning is not always popular in the broader financial services industry. It takes more time. It requires more knowledge. It is harder to scale. It is often less profitable than narrow portfolio management.

He said:

> *"What's more time consuming, understanding the full picture to do, to understand and have the expertise in that area to look at the full picture, or to merely rebalance a portfolio?"*

His answer is obvious. Comprehensive advice takes more time. But it is also more valuable for the client.

That is why he warned against reducing financial planning to a more profitable but narrower service model. He observed:

> *"The profitability and the scalability of AUM is more than enticing, it's addictive."*

For Schatsky, this is a danger to the profession. If advisors focus primarily on scalable asset management, they may drift away from the harder work of understanding and advising on the client's complete financial life.

This is one reason he believes NAPFA's historical role remains so important. NAPFA can remind the profession that the consumer does not merely need investment management. The consumer needs comprehensive advice.

What Consumers Need

Schatsky's view of consumer advocacy is straightforward. Consumers need skilled, comprehensive, impartial advice at the same time. If one of those elements is missing, the advice is incomplete.

He explained:

> *"If you're not getting skilled advice and comprehensive advice and impartial advice simultaneously, you're not getting what you need."*

This sentence belongs at the center of any discussion about NAPFA's purpose. NAPFA was not created merely to advance the business interests of advisors. It was created to help consumers find advisors who would provide advice without product-sales conflicts and with a full understanding of the client's financial life.

Schatsky saw NAPFA as "the only true voice" for this model. He also described NAPFA as a "beacon" to both the industry and the public.

He said NAPFA should be:

> *"A beacon to the industry and a beacon to the public of what you need and what you want."*

That is a powerful description of NAPFA's consumer role. The organization exists to show consumers what real financial planning advice should look like.

High Standards Are the Foundation of a Profession

When asked what it would take to make financial planning a profession, Schatsky's answer focused on standards.

> *"What does it take to be a profession? Is to create the highest standards and make sure people adhere to it."*

This is consistent with the 1984 NAPFA Articles of Incorporation. NAPFA's purposes were not merely educational or promotional. The organization was created to foster comprehensive, fee-only financial planning and to establish and enforce membership criteria regarding the sale of financial products.

Schatsky's view is that NAPFA's standards must remain high. Membership growth should never come at the expense of the standards that protect the consumer.

He said:

> *"We want to grow it as fast as completely as long as it's completely consistent with the standards that we believe are crucial in terms of the way they practice."*

In other words, NAPFA's purpose was not simply to become large. Its purpose was to be right.

Lessons from the Early Years of NAPFA

Schatsky believes the early lessons of NAPFA should not be forgotten. The organization must maintain high standards. It must require fee-only compensation. It must insist on comprehensive planning. It must focus on the consumer first.

He summarized the lesson this way:

> *"You have to set your standards high to be a member."*

Those standards must include ethics, expertise, impartiality, and comprehensive practice.

He also stressed that advisors must not allow profitability, billing models, or product compensation to influence the quality of advice.

> *"You can't be blind," he said.*

That phrase captures the danger of narrow advice. A financial advisor who refuses to see the client's whole picture is advising with one eye closed. Schatsky believes that is not enough for a profession.

NAPFA as a Consumer Advocate

Schatsky's view of NAPFA is ultimately rooted in consumer advocacy. He believes NAPFA's greatest value is that it can help consumers identify advisors who provide comprehensive, fee-only advice.

He agreed with the idea that NAPFA is "the number one player" as a consumer advocate for this model of advice.

In his view, NAPFA's message should be simple and strong: consumers need impartial, comprehensive, fee-only financial planning advice.

He said:

> *"The public needs impartial advisors."*

He also said:

> *"The public needs comprehensive advice."*

Those two statements, placed together, capture why NAPFA mattered in the early years and why it still matters today.

Why Gary Schatsky's Story Belongs in This Report

Gary Schatsky's memories belong in this report because they help clarify the meaning of the first purpose in NAPFA's 1984 Articles of Incorporation: "To foster the practice of comprehensive, fee-only financial planning."

Schatsky reminds us that each word matters.

> *"Comprehensive" means the advisor must understand the client's whole financial life.*

> *"Fee-only" means the advisor must avoid product-sales compensation that can impair objectivity.*
>
> *"Financial planning" means advice that integrates investments, taxes, retirement, estate planning, debt, insurance, cash flow, family needs, and life goals into a coherent strategy.*

For Schatsky, NAPFA was important because it stood for all three.

His most important message to today's NAPFA leaders and members may be this:

> *"Unless you know 100% of a client's financial world and consider all of it in providing advice, it cheapens all of the advice."*

That is why comprehensive, fee-only financial planning still matters.

And that is why NAPFA remains an important resource for consumers who want skilled, impartial, comprehensive advice from a financial planner who is committed to serving the client's entire financial life.

Appendix C

Bob Veres: The Early Fee-Only Revolution and the Origins of NAPFA

Bob Veres was not one of the legal incorporators of NAPFA, and he was not part of the group that drafted the 1984 Articles of Incorporation. His importance to this history is different. Veres was one of the profession's most important observers, critics, reporters, and interpreters during the years when financial planning was trying to decide whether it would become a profession or remain a product-sales channel with a more sophisticated name.

This appendix draws principally from Veres' 2025 book, A Behind-the-Scenes History of the Financial Planning Profession. The book deserves special credit because it preserves the lived memory of the profession from the perspective of a journalist who was inside the conference rooms, reading the plans, interviewing the leaders, watching the trade associations, and reporting on the battles between sales culture and professional culture. Veres' book is valuable not merely because it records events. It explains the atmosphere of the time: the personalities, the incentives, the trade association politics, the economic pressures, and the cultural resistance faced by those who wanted financial planning to become something more than a sales process.

For this AdvisorSmart report, Veres' account is especially useful because it provides outside confirmation of a central point: NAPFA mattered because it drew a professional boundary. The boundary was fee-only compensation. The boundary was also comprehensive advice. And the boundary was the insistence that a person calling himself or herself a financial planner should not be paid by selling the financial products being recommended to the client.

The World Before NAPFA

The years before NAPFA's incorporation were not a clean professional landscape waiting to be organized. They were messy, entrepreneurial, and conflicted. The financial planning movement had already begun through earlier institutions, including the College for Financial Planning, the CFP designation, the IAFP, and the ICFP. But much of the marketplace still revolved around product distribution. Many people who called themselves financial planners were paid through commissions from insurance products, investment products, limited partnerships, tax shelters, mutual funds, and other financial instruments.

That compensation structure shaped the public meaning of financial planning. In theory, financial planning suggested a broad, thoughtful, client-centered process. In practice, many consumers encountered a sales process dressed in planning language. Plans could be used to identify needs, but the revenue often came from implementing products. The financial planner might appear to be diagnosing the client's situation, but the economic engine of the business still depended on sales.

Veres describes this period as one in which the emerging profession contained a wide spectrum of professionalism. At one end were sincere practitioners trying to improve client outcomes. At the other end were product distributors using financial planning as a more credible sales frame. The problem was not that every commission-paid planner was dishonest. The problem was structural. Product compensation created a conflict between advice and implementation. When the planner's income depended on the product sold, the consumer had no simple way to know whether the recommendation was objective advice or compensated sales activity.

This is the world that made NAPFA necessary. The founders and early leaders were not simply trying to create another association. They were trying to give financial planning a different professional identity. They wanted a home for planners who believed clients should pay for advice directly, and that the advisor should not receive commissions from the products recommended.

NAPFA as an Idea Before It Was an Institution

One of Veres' most important observations is that NAPFA, in its earliest years, was more an idea than a fully developed organization. It was small. It was underfunded. It lacked the institutional scale, staffing, and financial resources of larger trade associations. But it had something more important: a clear professional conviction.

That conviction was simple. A financial planner who wants to be a true professional should not accept commissions. Other professions charged fees for professional judgment. Attorneys did not describe themselves as product distributors. Accountants did not make their professional identity depend on selling investments. Physicians were expected to diagnose first and prescribe second. If financial planning wanted to become a profession, it needed a compensation model that supported professional judgment rather than product placement.

In Veres' account, this fee-only position was regarded by many in the larger financial planning establishment as radical, impractical, and even threatening. The common belief was that consumers would not write checks for financial planning advice. The commission system was familiar. Product providers had money. Trade associations benefited from advertising, exhibitors, sponsorships, and the economic power of the product-distribution world. A small group of fee-only planners challenged that entire structure.

The challenge was economic as well as philosophical. If consumers learned to ask for fee-only advice, commissions could be threatened. If journalists learned that fee-only advisors existed, they might begin asking harder questions about conflicts of interest. If the public began to understand the difference between advice and sales, the financial planning marketplace could begin to change.

That is why the early fee-only planners were sometimes dismissed as fanatics. But Veres' history shows that the dismissal did not stop them. In fact, their outsider status may have strengthened their identity. NAPFA was not built by people trying to become more acceptable to the sales establishment. It was built by people willing to be different.

The Humble Early Years

Veres' memories of the early NAPFA meetings are especially important because they show how small the movement was. He describes early gatherings as modest, informal, and lightly attended. The image is not of a polished national association with a large staff and sophisticated brand campaign. It is of a small group of committed practitioners sitting together, sharing ideas, and trying to build a different future for financial advice.

That matters because institutions often rewrite their history once they become larger. They remember the mission but forget the scarcity. They remember the principles but forget the sacrifice. Early NAPFA members were not choosing the easy business path. They were choosing a path that many people believed could not work. They were asking clients to pay directly for planning advice in a market where most consumers were used to the idea that advice was free because the advisor was paid by the product company.

The early economics were difficult. Veres recounts the financial strain experienced by early fee-only advisors and leaders. These were not people getting rich quickly by adopting a fashionable niche. They were people trying to prove that consumers would pay for advice, and that a practice could survive without commissions. The early years required persistence because the business model was not yet obvious to the public.

This is one reason NAPFA's founding purposes remain so important. The 1984 Articles of Incorporation did not merely say that NAPFA would support financial planners generally. They identified comprehensive, fee-only financial planning; education and professional development; public awareness of fee-only planning as an alternative; and membership criteria regarding the sales of financial products. Those purposes were not abstract words. They described the real problems early members were trying to solve.

Bob Underwood and the Uncompromising Fee-Only Message

Veres identifies Bob Underwood as one of the most influential early personalities in the fee-only group. Underwood's importance was not based on tact. In Veres' telling, Underwood was direct, forceful, and sometimes undiplomatic. But he represented something the early movement needed: moral clarity about the conflict between professional advice and product sales.

Underwood's confrontational style also reveals the emotional intensity of the period. The fee-only message was not received as a polite business-model preference. It was heard by many commission-based planners as an accusation. To say that fee-only advice was more professional was to imply that commission-paid advice was compromised. That was not a comfortable message for planners whose income depended on products.

This tension helps explain why NAPFA's early contribution was so consequential. The organization forced the profession to confront a question it often preferred to avoid: can a person be fully objective when the compensation depends on selling a product? The early fee-only answer was no. That answer did not make NAPFA popular with everyone, but it made NAPFA important.

Ron Rogé and the Consumer Press

Veres also gives significant attention to Ron Rogé, an early fee-only planner who helped connect NAPFA's message with the consumer press. This may have been one of the most important strategic developments in NAPFA's early history. NAPFA did not have large numbers, but it had a message that made sense to journalists: consumers should understand how financial advisors are paid.

Once consumer financial writers understood the fee-only distinction, the public conversation began to change. Journalists could ask a simple question: does the advisor receive commissions from the products recommended? Fee-only planners could explain that they were paid by clients, not by product providers. That distinction was easy to communicate, and it gave the press a way to identify advisors who appeared less conflicted.

According to Veres, financial publications such as Money, Forbes, Kiplinger, The New York Times, The Washington Post, and other outlets became important channels for the fee-only message. The result was that NAPFA's influence exceeded its membership size. A small association could shape public understanding because its message was clear, consumer-centered, and journalistically useful.

This point is essential for today's NAPFA discussion. Public awareness was not a side benefit of NAPFA's mission. It was one of the purposes. The founders understood that consumers could not choose fee-only financial planning if they did not know it existed. Veres' history shows that the early public relations success of NAPFA was not accidental. It came from the clarity of the message and the willingness of early members to speak candidly about conflicts of interest.

Lynn Hopewell and the Revenue Model Problem

One of the hardest practical questions for early fee-only planners was how to get paid. If consumers would not write large checks for financial planning advice, how could a fee-only planner build a sustainable practice? Veres gives special attention to Lynn Hopewell because Hopewell helped solve that problem.

Hopewell's contribution was to connect comprehensive financial planning with an annual fee based on client portfolios. Today, the assets-under-management model is common. In the early years, however, it helped make fee-only planning economically viable. The client could receive comprehensive planning and investment advice without the planner receiving commissions from product sales. The advisor's compensation came from the client relationship rather than from the sale of a specific product.

This development was not perfect, and later debates would arise about AUM fees, conflicts, minimums, scalability, and access. But historically, Hopewell's model gave many fee-only planners a way to survive. It allowed planning to be the central service rather than a loss leader for product implementation. It also helped distinguish the fee-only planner from the commission-based product salesperson.

Veres' account of Hopewell is important because it reminds us that professional ideals need business models. A profession cannot survive on moral conviction alone. Early NAPFA members needed practical ways to charge clients, serve them comprehensively, and remain independent from product compensation. The AUM model became one of the first widely adopted answers.

The Limited Partnership Debacle and the Professional Case for Fee-Only

The early fee-only argument became more powerful when product failures harmed consumers and embarrassed the broader financial planning community. Limited partnerships and tax shelters had been widely sold by commission-compensated advisors. When many of these products collapsed or disappointed investors, the conflict problem became harder to ignore.

Veres notes that fee-only planners largely avoided some of the worst product-driven disasters because they were not being paid to sell those products. This does not mean fee-only planners were perfect. It means the compensation model protected them from some of the strongest sales incentives in the marketplace. That is the professional point. Structure matters. Incentives matter. Compensation design affects judgment.

This lesson belongs in the center of the AdvisorSmart report. The case for fee-only financial planning is not based on the claim that every fee-only planner is virtuous or that every commission-paid advisor is unethical. The case is that a profession should remove the most obvious and avoidable conflicts from the advice relationship. NAPFA's early leaders understood that point before the broader marketplace was ready to accept it.

The First Few Years After Incorporation

NAPFA's incorporation in 1984 gave legal form to a movement that had already begun. The first few years were about turning an idea into an organization. That required membership standards, conferences, peer learning, public education, and a shared identity. The association had to decide who belonged and who did not. That was not a minor administrative issue. It was the core professional question.

If NAPFA had allowed commissions, it would have become merely another financial planning association. If it had treated fee-only as a preference rather than a standard, the public message would have weakened. If it had allowed members to present themselves as fee-only while also receiving product compensation, the boundary would have collapsed. The early organization's credibility depended on its willingness to say no.

Veres' account helps explain why that boundary created both admiration and resentment. To supporters, NAPFA was the most consumer-protective voice in financial planning. To critics, NAPFA was self-righteous, impractical, or hostile to the mainstream industry. Both reactions show that NAPFA had successfully created a difference that people could see.

The first few years also created a community. Fee-only planners learned from one another. They compared practice methods. They shared tools. They encouraged one another in a marketplace where they were outnumbered by brokers, insurance agents, and commission-based planners. NAPFA gave them a professional home.

Why Veres' History Strengthens the Thesis of This Report

The title of this AdvisorSmart report is intentionally bold: NAPFA's Founders Pioneered the Financial Planning Profession. Veres' history helps make that statement more precise. The broader financial planning movement began before NAPFA. The educational infrastructure, CFP designation, and earlier associations were important. But Veres' account supports the conclusion that NAPFA's founders created the clearest professional boundary between financial planning as advice and financial planning as product sales.

That boundary is what made the profession visible to consumers. It gave journalists a way to explain the difference. It gave practitioners a way to organize around client-paid advice. It gave the emerging profession a moral and economic alternative to the dominant commission model. It gave consumers a question to ask: are you fee-only?

Veres also shows that the history was not tidy. Early NAPFA leaders were human. They made mistakes. They sometimes communicated with more zeal than diplomacy. Later initiatives, such as efforts to create marks or designations, raised questions about whether NAPFA's leaders were always choosing the best strategy. But the imperfections of the people do not diminish the importance of the idea. In fact, the messiness makes the history more credible. NAPFA was not created by saints. It was created by determined professionals who saw a consumer problem and tried to solve it.

The Consumer-Protection Meaning of Fee-Only

The most important lesson from Veres' book is that fee-only was not merely a marketing label. It was a consumer-protection mechanism. It addressed the most obvious question in the advice relationship: who pays the advisor, and why?

A consumer may not understand all the technical differences among investment products, insurance contracts, tax shelters, custodial platforms, or portfolio strategies. But a consumer can understand the difference between paying an advisor directly and having the advisor paid by the product provider. That clarity is why the fee-only message had such power in the press. It was simple, understandable, and connected to common sense.

The message also protected the meaning of comprehensive planning. A comprehensive plan should begin with the client's entire financial life: goals, cash flow, taxes, investments, insurance, estate planning, retirement, family responsibilities, risk, values, and tradeoffs. Product sales narrow the lens. Fee-only compensation does not guarantee comprehensive advice, but it makes comprehensive advice more credible because the recommendation is less likely to be shaped by a commission opportunity.

Why This History Matters Today

Veres' history is not merely nostalgic. It is a warning. Organizations can drift from their founding purposes when the original struggle fades from memory. Later leaders may inherit the reputation created by earlier sacrifice without fully understanding what made that reputation valuable. They may prefer broader language, softer distinctions, or more inclusive branding. They may assume that fiduciary language can replace fee-only language. But Veres' account suggests the opposite.

The early power of NAPFA came from specificity. Fee-only was specific. No commissions was specific. The alternative to product-driven advice was specific. Comprehensive financial planning was specific. Membership criteria regarding sales of financial products were specific. That specificity allowed consumers, journalists, and practitioners to understand why NAPFA was different.

If NAPFA weakens that specificity, it risks becoming less useful to consumers. The public is already confused by titles such as financial advisor, wealth manager, fiduciary, fee-based advisor, financial consultant, and planner. In that environment, NAPFA's historic value is not that it adds another broad claim. Its historic value is that it preserves a clear boundary.

Credit to Bob Veres

Bob Veres deserves substantial credit for preserving this history. His book is not a dry chronology. It is a first-person professional memory, filled with judgments, stories, humor, criticism, admiration, and hard-earned perspective. Readers may not agree with every Veres opinion, and historians may supplement his account with additional documents and interviews. But no serious history of financial planning can ignore his contribution.

For this report, Veres' book helps place NAPFA in the broader professional struggle. NAPFA was not inevitable. Fee-only planning was not guaranteed to survive. Consumers were not automatically going to understand the difference between advice and sales. The early NAPFA leaders, with help from journalists and practitioners who understood the significance of their work, made the fee-only alternative visible.

That is why Veres' history belongs in this report. It shows that NAPFA's founding purposes were not incidental corporate language. They were a response to a real marketplace problem. They expressed the early profession's most important consumer promise: financial planning should be comprehensive, client-centered, and free from product-sales compensation.

Closing Reflection

Appendix A preserved George Kinder's personal reaction to discovering NAPFA as his professional tribe. Appendix B preserved Gary Schatsky's conviction that consumers need skilled, comprehensive, impartial advice. Appendix C adds Bob Veres' broader historical lens. Kinder shows what NAPFA meant to an idealistic practitioner. Schatsky shows what NAPFA meant to a planner committed to comprehensive advice and high standards. Veres shows what NAPFA meant to the profession as a whole.

From Veres' perspective, the early NAPFA story was not a footnote. It was one of the profession's decisive turning points. A small group of fee-only planners challenged the assumption that financial planning had to be funded by product sales. They influenced journalists. They created a professional home. They helped solve the revenue model problem. They forced the larger profession to confront conflicts of interest. And they gave consumers a clearer way to identify advice that was more likely to be on their side.

That is why the early history still matters. NAPFA's founding insight remains as relevant today as it was in the years before and immediately after incorporation: financial planning becomes a profession when advice comes first, products come second, and the consumer can clearly understand how the advisor is paid.

Source Note

This appendix is based primarily on Bob Veres, A Behind-the-Scenes History of the Financial Planning Profession (2025), especially the chapters addressing the origins of fee-only financial planning, the rise of

NAPFA, early fee-only personalities, media coverage, the practical development of fee-only revenue models, and later reflections on NAPFA's public identity.

Appendix D

SIFA: The Seedbed of NAPFA and the Fee-Only Financial Planning Movement

Before there was NAPFA, there was SIFA.

The Society of Independent Financial Advisors, commonly referred to as SIFA, appears to have been the small, private, practice-sharing group that helped incubate the fee-only financial planning movement before NAPFA became a national professional membership association.

SIFA was not a large public-facing organization. It was not designed to become a national association. It was not built for marketing, membership growth, public relations, conferences, or consumer education. Its purpose was more intimate and practical. It was a place where a small number of early fee-only planners could meet, share practice ideas, evaluate financial products, discuss fees, challenge one another's thinking, and learn how to build viable advisory firms without commissions.

For that reason, SIFA may not appear prominently in concise institutional histories of the financial planning profession. Those histories often focus on larger institutions such as the College for Financial Planning, the CFP designation, IAFP, ICFP, CFP Board, FPA, and NAPFA. But for a history focused specifically on NAPFA's origins, SIFA deserves special attention.

The best short description may be this:

SIFA was the seedbed. NAPFA was the public institution.

SIFA helped early fee-only planners find one another. NAPFA took the fee-only idea public.

Why SIFA Matters

The history of NAPFA should not begin only with the formal creation of NAPFA in 1983 or the Articles of Incorporation filed in 1984. Those legal and organizational milestones were critically important, but they were not the true beginning of the idea.

The idea began earlier, when a small number of independent advisors concluded that consumers needed financial advice that was not driven by commissions, product sales, or hidden compensation.

These early planners were isolated. They were building a new practice model in a financial services industry dominated by brokerage firms, insurance companies, mutual fund distributors, and commission-based sales organizations. They were not simply choosing a different billing method. They were attempting to define a different professional identity.

The central question was simple but radical:

Could a financial advisor make a living by giving advice directly to clients without selling financial products?

SIFA gave a few early fee-only pioneers a place to explore that question in a serious way.

A Small Group by Design

SIFA appears to have been deliberately small. Its members valued the ability to share the details of their practices openly. In a small group, they could discuss client contracts, pricing, planning methods, software, staffing, marketing, and the practical realities of building a fee-only advisory business.

That small size was part of its strength.

A large organization would have required formal governance, broader membership criteria, administrative systems, and public messaging. SIFA was different. It functioned more like a peer study group or professional laboratory. Members were not trying to create a broad association at first. They were trying to help one another solve real-world problems in a business model that barely existed.

This is one reason SIFA was so important. Before fee-only financial planning could become a public movement, it had to become a workable practice model.

SIFA helped prove that the model could work.

The People Behind the Early Fee-Only Conversation

Based on the existing historical record, the early SIFA circle included several people who later became central to the NAPFA story, including Bob Underwood, John Sestina, J.D. "Jim" Schwartz, Terry Gill, and Richie Lee.

Other early fee-only planners later became connected to the broader movement as interest in fee-only financial planning grew. Names that appear in the early NAPFA story include Gary Pittsford, Mary Malgoire, Mike Leonetti, Richard Whitehead, Bob Wegner, Robert Willard, J. Randall Hedlund, and others.

The names, roles, personalities, and contributions of the original SIFA participants should continue to be verified as additional historical records and interviews become available.

The Practice Laboratory

One of the most important functions of SIFA was that it allowed early fee-only planners to test ideas against other highly capable practitioners.

John Sestina has described the early group as small, diverse, intelligent, and collegial. He has also described the quality of those early discussions as extraordinary. The members brought different areas of expertise to the table. One planner might have deep experience in real estate. Another might understand oil and gas deals. Another might focus on investments, taxes, insurance, or client contracts.

This mix of expertise mattered because comprehensive financial planning required broad knowledge. The early fee-only planners were not trying to be product salespeople. They were trying to understand the financial lives of clients from multiple angles.

SIFA therefore served two related purposes.

First, it helped members improve their own competence.

Second, it helped members identify the hidden conflicts, fees, and product incentives that could harm consumers.

Challenging the Product Sales Culture

One of the most revealing pieces of the SIFA story is that product promoters and deal makers would sometimes present ideas to the group. SIFA members would then challenge the assumptions, economics, fees, incentives, and client impact of the proposed deals.

This was not academic debate. It was consumer protection in action.

The early fee-only planners understood that financial products often carried hidden costs. They understood that commissions and product compensation could influence recommendations. They understood that clients frequently did not know what they were paying or how the advisor was being compensated.

The SIFA discussions helped sharpen the distinction between advice and sales.

That distinction later became central to NAPFA.

NAPFA's founding idea was not merely that advisors should charge fees. It was that consumers deserved advice from professionals whose compensation was not tied to the sale of financial products.

From Private Peer Group to Public Association

SIFA's small-group model could not serve the growing number of planners who became interested in fee-only financial planning. As more advisors heard about the fee-only approach, the early practitioners began receiving more requests for information, guidance, forms, contracts, pricing ideas, planning methods, and business advice.

The demand exceeded what a small peer group could provide.

This was one of the practical reasons NAPFA became necessary.

The early fee-only planners needed a larger organization that could educate planners, set standards, create a membership structure, publish information, organize meetings, and eventually help consumers identify advisors who were committed to fee-only planning.

In this sense, NAPFA was born from the success of the SIFA idea.

SIFA proved that fee-only financial planning could work among a small group of committed practitioners. NAPFA was created because the idea needed to move beyond the small group.

The Atlanta Meeting and the Burst in the Dam

The transition from SIFA to NAPFA appears to have accelerated around the early 1980s, particularly through gatherings at IAFP conventions and early fee-only meetings. The historical record describes Bob Underwood and John Sestina helping bring fee-only planners together, including a meeting at the 1982 IAFP Convention in New Orleans and the first NAPFA meeting in Atlanta in February 1983.

John Sestina has described the early NAPFA moment as a kind of "burst in the dam." Once the SIFA leaders talked publicly about fee-only financial planning, other planners wanted to know more. They wanted answers. They wanted forms. They wanted methods. They wanted to understand how to become fee-only planners themselves.

The original SIFA members could not personally mentor everyone.

NAPFA became the vehicle.

SIFA and the Four Purposes of NAPFA

The role of SIFA can also be understood through the four purposes later stated in NAPFA's 1984 Articles of Incorporation.

1. To foster the practice of comprehensive, fee-only financial planning.

SIFA helped foster the practice before NAPFA existed. Its members were experimenting with the practical details of how to deliver advice for a fee without commissions.

2. To provide opportunities for financial planners to increase their skills, knowledge, techniques, methods and tools of practicing financial planning.

SIFA did this informally. Members shared practice methods, critiqued products, discussed fees, and helped each other improve.

3. To promote public awareness of financial planning and the alternative of fee-only financial planning assistance.

SIFA itself was not primarily a public awareness organization. That became a major reason NAPFA was needed. NAPFA could take the fee-only message beyond the private peer group and communicate it to consumers, journalists, and the broader profession.

4. To establish and enforce criteria for its membership with regard to sales of financial products.

SIFA helped develop the thinking behind this standard. The early planners understood from direct experience that product sales compensation was the central conflict that separated sales from professional advice.

Why the SIFA Story Belongs in This Report

SIFA belongs in this report because it helps explain where NAPFA came from.

NAPFA did not appear suddenly as a fully formed organization. It grew out of years of experimentation, conversation, peer review, and professional courage among early fee-only planners who believed that consumers deserved something better than product-driven financial advice.

SIFA was the hidden root system.

NAPFA became the visible tree.

If NAPFA's founders pioneered the financial planning profession by drawing a public line between advice and product sales, SIFA helped prepare the people who first understood why that line had to be drawn.

Closing Reflection

The SIFA story is more than a footnote. It is one of the missing links in the history of NAPFA.

Dave Yeske's concise history explains where NAPFA fits in the broader institutional history of financial planning. SIFA explains how the fee-only planners found one another before NAPFA became a public-facing national association.

To understand NAPFA, we need to understand SIFA.

To understand SIFA, we need to preserve the memories of John Sestina and the remaining early leaders who were there.

Appendix E

Bob Maloney: SIFA, Bob Underwood, and the Early Years of NAPFA

Bob Maloney's memories belong in this report because he provides a vivid first-person bridge between the pre-NAPFA world of SIFA and the early years of NAPFA. His recollections help explain how isolated fee-only planners found one another, how a small group of independent advisors became the foundation for a national organization, and why the earliest NAPFA leaders believed that professional financial planning had to be separated from product sales.

Maloney did not begin with a formal "fee-only" vocabulary. He began with a conviction.

> *"I had never heard of fee only, but I knew that I didn't want to sell products."*

That statement captures the spirit of the early movement. Before "fee-only" became a recognized public term, there were already practitioners who had concluded that financial advice should not be driven by commissions, product sales, or referral fees.

The Phone Call from Bob Underwood

Maloney left banking in 1982 after working as a trust officer. His experience involved trusts, widows and widowers, estates, portfolios, and family financial issues. He wanted to do financial planning, but he did not want to become a product salesperson.

Then, sometime in late 1982 or early 1983, he received a call from Bob Underwood.

Maloney remembered Underwood's Southern accent and his opening question:

> *"He said, 'Bob Maloney.' I said, 'Yes.' He says, 'Is it true you don't sell product?'"*

Maloney's response was memorable:

> *"I smiled and I said, 'Who the hell are you?'"*

Underwood told him he belonged to a group called SIFA, the Society of Independent Financial Advisors. According to Maloney, Underwood explained that SIFA members attended financial planning conferences but felt different from most other attendees because "everyone's trying to sell something to somebody." Underwood told Maloney that the group believed it might be possible to create a new organization, although they did not yet have a name for it.

Maloney immediately recognized the significance of the invitation:

> *"I literally jumped at that opportunity because I didn't know there was anybody else doing financial planning without the sale of product."*

That sentence is one of the most important lines in Maloney's interview. It shows how isolated the earliest fee-only planners were. They were not joining an established profession. They were finding one another.

The Flying Pig and the First Meeting

Underwood later gave Maloney the date, time, and location for a meeting in Georgia. One of Maloney's clearest memories from that first meeting was not a formal agenda item, but a restaurant called the Flying Pig.

He remembered that the restaurant had a large pig with wings on top of a flagpole, with what he estimated was a wingspan of about 30 feet. The restaurant had "nothing to do with NAPFA whatsoever," but the group had to pass it every day on the way to the meeting.

The detail matters because it gives the early NAPFA story a human texture. This was not yet a polished national association. It was a small group of practitioners finding one another, meeting in person, sharing ideas, and trying to determine whether a different kind of financial planning organization could exist.

Maloney believed all nine original SIFA members were at that meeting. He also recalled meeting Mary Malgoire and David Drucker during the early period.

SIFA as a Small Practice-Sharing Group

Maloney's recollection helps clarify the role of SIFA. SIFA was not NAPFA. It was not a broad public-facing national association. It was a small, selective group of independent financial advisors who shared ideas, expertise, and opportunities.

Maloney recalled that the original SIFA members had specialties in different types of limited partnerships, including real estate, cattle, railroad boxcars, and other specialized areas. To become a member, a person had to contribute something new.

> *"To become a member of SIFA, you had to bring something new to the table."*

Maloney did not want to join SIFA. His interest was not in becoming part of the limited partnership group. His interest was in discovering whether there were other people trying to do what he was trying to do: provide financial planning without product sales.

> *"I never had any desire to join SIFA, but I was very interested in seeing what they were doing and where it might lead."*

Where it led was NAPFA.

From SIFA to NAPFA

According to Maloney, after approximately a year and a half or two years, the group settled on the name National Association of Personal Financial Advisors.

> *"Finally, we came up with the name, National Association of Personal Financial Advisors, NAPFA, and it was immediately adopted."*

Maloney's account reinforces the idea that NAPFA did not appear from nowhere. It emerged from relationships, experiments, discussions, and practice-sharing among a small number of advisors who were trying to build financial planning practices without commissions.

SIFA was the seedbed. NAPFA became the public institution.

Slow Growth by Design

One of Maloney's most important memories is that the early NAPFA leaders were not trying to grow rapidly. They were trying to preserve the integrity of the idea.

> *"I believe to this day we never really went out looking for members. We didn't look to grow. It happened naturally."*

He remembered that NAPFA held one meeting a year and that each year more people attended. But there was no push to grow for growth's sake.

> *"There was never a goal for growth for growth's sake."*

That restraint was important. A new organization could have grown faster by lowering standards or blurring its message. Maloney's recollection suggests that early NAPFA took the opposite approach. Growth was welcomed only if it was consistent with the organization's defining idea: fee-only financial planning without product sales.

The Central Idea

When asked what central idea united the founders, Maloney answered directly:

> *"To create an organization independent of sales, commissions, and referral fees."*

He added:

> *"It wasn't a mystery, David. It wasn't a mystery."*

That clarity is central to understanding NAPFA's founding. The early leaders were not confused about why the organization existed. They wanted a home for financial planners who did not sell products.

Maloney described the financial services industry of the early 1980s as dominated by product sales. He recalled insurance companies, limited partnerships, and accountants who received compensation that was called "referral fees" but functioned like commissions.

> *"Everybody in the business was selling product."*

That was the environment in which NAPFA emerged. The organization was created to draw a bright line between advice and sales.

The Early People

Maloney identified Bob Underwood as his main contact. He remembered Underwood as being from Louisiana and associated with cattle limited partnerships. He remembered J.D. "Jim" Schwartz as brilliant and memorable. He recalled John Sestina, Terry Gill, Richie Lee, and Mike Leonetti as part of the early circle.

Richie Lee made a particularly strong impression on him:

> *"Richie Lee was probably my biggest influence."*

What impressed Maloney most was the openness and generosity of the early group.

> *"What they offered me as an individual was something I never would have expected — someone to be so open, and offer such a sharing environment."*

He added:

> *"They were impressive. There wasn't one of the nine that I didn't come to like."*

That culture of sharing became one of the early strengths of NAPFA. The organization gave isolated practitioners a place to ask questions, compare methods, and learn from one another.

A Reference Source for Unanswered Questions

Maloney described early NAPFA as a valuable reference network. If he had a question, he knew he could call people like Underwood or Schwartz.

> *"I knew if I called Underwood, he would take my call. I knew if I called Schwartz, he would take my call."*

That peer support mattered because the practice model was new. There were few templates, few public examples, and few professional systems for fee-only financial planning. Early NAPFA helped members build confidence that they were not alone.

Maloney said the organization was:

> *"A reference source of unanswered questions for Bob Maloney."*

That line helps explain NAPFA's early professional value. It was not merely an association. It was a learning community.

Bob Underwood's Handwritten Memorabilia

One of the most interesting artifacts Maloney mentioned was a small handwritten document from Bob Underwood titled "The Risk of the Fee Only Financial Planning."

Maloney described it as a small collection of handwritten pages stapled together and dated around 1988 or 1989. He said Underwood discussed the fast-growing area of financial planning and the risks of fee-only planning.

Maloney viewed the document as an important piece of NAPFA history:

> *"If we had a part of our organization that had memorabilia, I would contribute it without a doubt."*

This document should be preserved if possible because it reflects the early language, concerns, and thinking of one of NAPFA's most important early figures.

Professional Organization and Public Exposure

When asked whether NAPFA began as a consumer advocacy organization, a professional association, or both, Maloney described it as beginning with the understanding that it was a professional organization and then growing into a public-facing organization that needed exposure.

> *"I think it started out with the understanding to be a professional organization and grew with the expectation that we needed exposure."*

He credited Ron Rogé of Long Island with helping NAPFA gain media attention.

> *"Ron was the one who really took upon himself to bring NAPFA to the forefront in the news industry."*

Maloney remembered that Rogé had contacts with publications such as the New York Times and helped the young organization receive important exposure. Rogé also shared leads with early NAPFA members in the Northeast.

At the time, Maloney remembered being the only member in Connecticut. Even a few years later, there were only a handful of NAPFA members in the state.

An Avenue for Those Who Wanted a Different Kind of Practice

Maloney described NAPFA's early purpose as creating an avenue for people who wanted to practice financial planning without selling products.

> *"The goal was to be an avenue for those who wanted to try to do financial planning as a profession without the sale of product."*

This is an important way to understand early NAPFA. It did not simply exclude product salespeople. It gave some product salespeople a path toward a different professional identity.

Maloney understood insurance and believed life insurance could be an important asset for many families. He taught estate planning to young Northwestern Mutual agents and developed referrals from them. His distinction was not that insurance was bad. His distinction was that the financial planner should not be compensated for selling it.

He described his message to insurance agents this way: sell the insurance if the client needs it, and send the client to him for estate planning and broader financial planning.

That distinction is central to NAPFA's history. The early fee-only planners did not deny that products could be useful. They rejected the idea that financial planning advice should be compensated through product sales.

Comprehensive Financial Planning

When asked whether he did comprehensive financial planning, Maloney answered without hesitation:

> *"Absolutely, no ifs, ands, or buts."*

He described comprehensive planning in practical terms. He covered everything except investment management, which he outsourced to a firm he trusted. His own work focused heavily on retirement planning, estate planning, insurance needs, cash flow, family issues, and long-term projections.

He said that in the early years there were "seven or eight areas of financial planning" that defined comprehensive advice. He specifically mentioned estate planning, life insurance, financial statements, and cash flow analysis.

He placed special emphasis on cash flow:

> *"Cash flow analysis, which I think is the single most important thing I can get out of my client."*

Maloney's description of his planning process was hands-on and document-intensive. His client binder included tax returns, a family organizer, cash flow information, asset and liability worksheets, correspondence, and a 25-year cash flow projection.

For Maloney, comprehensive planning was not a slogan. It was a disciplined process.

Fee-Only and Comprehensive Together

Maloney's discussion of the relationship between fee-only and comprehensive planning is especially useful. He said that NAPFA "started out as fee only, no question about it," but that it became "comprehensive and fee only."

> *"It started out as fee only, no question about it. It became comprehensive and fee only."*

He explained that fee-only was the original differentiator. Comprehensive planning made the advice more valuable and complete.

> *"Comprehensive was the key, and the selection of fee only was portion of the financial planning community that was willing to try to make a living without the sale of product, but fee only is what stood out."*

When asked whether NAPFA would have been founded if fee-only compensation had not been a central principle, Maloney answered:

> *"My opinion, I would say no."*

He explained:

> *"You got to remember what motivated these nine members. Everybody else was selling product."*

Fee-Only Removed the Conflict

Maloney described the consumer benefit of fee-only compensation in simple terms:

> *"It took the conflict of interest out."*

He framed the issue as a question:

> *"Who's being served, financial planner or the client?"*

That was the core issue for early NAPFA. If the advisor was paid by commissions or referral fees, the consumer could not easily know whether the advice was objective. Fee-only compensation gave the planner a way to say that the recommendation was not being driven by product compensation.

Maloney acknowledged that an advisor could disclose product sales and allow the client to buy elsewhere. But he did not view that as fee-only.

> *"Is it fee only? I don't think so, because he does or she does sell life insurance or sells product."*

That distinction remains central to NAPFA's identity.

Professional Competence and Continuing Education

Maloney remembered continuing education as central to NAPFA's original vision.

> *"It was incredibly important. In fact, we made it mandatory."*

He recalled that members were expected to obtain continuing education across multiple areas of specialization. He objected when the requirement was later loosened so that all hours could be concentrated in one area.

His concern was that a planner could not be comprehensive if the planner lacked breadth.

> *"You're going to have somebody who's a specialist in estate planning but can't do cash flow analysis, can't recommend a life insurance need. It was critically, critically important."*

This reflects the early NAPFA understanding that professional competence required broad knowledge. A financial planner did not have to be the leading expert in every area, but the planner had to understand enough to recognize issues, ask the right questions, and coordinate advice.

Maloney also emphasized that one of the great advantages of NAPFA was access to other members with deep expertise.

> *"One of the great advantages of NAPFA was that I had access to a membership that somebody in NAPFA was going to be an expert."*

Camaraderie and Conferences

Maloney's memories also show the camaraderie of early NAPFA. He recalled Mary Malgoire and David Drucker, early conferences, and the relationships that developed among members.

One vivid memory involved a conference in Philadelphia. A group of members from Massachusetts, Connecticut, New Jersey, and New York took the train together and "literally rented the bar car." Members got on at their own stops on the way to Philadelphia and were dropped off on the way home.

> *"The camaraderie was fabulous."*

This camaraderie was not incidental. It helped build trust, shared standards, and peer accountability. Early NAPFA members were not simply attending educational programs. They were building a professional community.

Membership Standards and Financial Plans

Maloney remembered that, for many years, applicants were required to submit a written comprehensive financial plan as part of the membership process.

> *"When you joined NAPFA for many, many years, you were required to provide a comprehensive financial plan in writing as a requirement of membership."*

He said several NAPFA members reviewed those plans to determine whether the applicant deserved the right to become a member.

This requirement illustrates how serious NAPFA once was about comprehensive planning. It was not enough to claim the label. The applicant had to demonstrate planning work.

Maloney also remembered debates about whether the member was the firm or the individual. The issue was eventually resolved in favor of individual membership, not merely firm membership.

NAPFA University

Maloney's commitment to education later led to his work creating NAPFA University. In 2004, he was asked by NAPFA's executive director to build "schools of learning" within NAPFA.

He recruited members to serve as leaders of six schools, later adding a seventh in practice management. Each school created educational presentations, and NAPFA University became a separate track at conferences.

He remembered that, by 2011, NAPFA University had roughly 42 instructors. The instructors were not paid, but their conference registration fees were waived.

For Maloney, NAPFA University was a way to provide structured education and reinforce professional competence within the organization.

Public Awareness

Maloney believed public awareness was included in NAPFA's purposes because consumers needed to know that a different kind of financial planning existed.

> *"The primary purpose was to allow the general public to recognize there is a form of financial planning where there are, in theory, no conflicts of interest."*

He summarized NAPFA's consumer message this way:

> *"We are going to serve you and not ourselves."*

He also described the early message in simple terms:

> *"We promoted fee only. We do not sell product. We're going to make recommendations in the best interest of you and your family. Period."*

Maloney did not remember “fiduciary” being the primary early message. In his view, the message was more concrete: fee-only planners do not sell products.

He said consumers did not understand the difference because it had never been clearly explained to them.

> *“They never understood, nor were they ever explained the difference ever.”*

The challenge was that insurance agents, stockbrokers, and investment specialists increasingly began calling themselves financial planners. The title alone did not distinguish advice from sales.

> *“The differentiator was fee only.”*

Product Sales Standards

The fourth purpose in NAPFA’s Articles of Incorporation was to establish and enforce standards regarding the sale of financial products by members. Maloney viewed that purpose as straightforward.

> *“That would be an easy one, a very easy one, because none of us sell products.”*

He said this purpose helped define fee-only.

> *“The concept of fee only meant, without any restrictions whatsoever, that you may not sell products or you may not accept referral fees.”*

He added:

> *“There was no ambiguity in the early days.”*

Maloney remembered that, in earlier years, the ethics committee sometimes dealt with complaints involving members who called themselves fee-only while selling products.

> *“Way back, it was typically complaints over product sales, members calling themselves fee only and selling products.”*

This reinforces the importance of enforcement. A standard only matters if the organization is willing to protect it.

Selective Growth as an Early Accomplishment

When asked what accomplishment from NAPFA’s first decade made him most proud, Maloney returned to the theme of selective growth.

> *“The biggest thing of value at that time was members, existing members recognizing we’d like to grow, but we wanted to be selectively careful as to who we invited to join us.”*

He said the goal was to keep everyone from selling products and to avoid admitting people who sold products or received referral fees.

That was the defining early membership standard.

A Path for Product Salespeople to Leave Product Sales

Maloney also remembered that life insurance agents began attending NAPFA meetings because they were curious about a different kind of practice. Some were successful product salespeople. Others were newer agents looking for a better path. NAPFA offered them a way to imagine financial planning without commissions.

This is an important part of the early story. NAPFA was not simply an exclusive club. It also created a path for advisors who wanted to leave product sales and become fee-only financial planners.

Why Bob Maloney's Story Belongs in This Report

Bob Maloney's story belongs in this report because it preserves the lived memory of the transition from SIFA to NAPFA. His recollections show that NAPFA was created by practitioners who wanted to provide financial planning without product sales, commissions, or referral fees.

His memories reinforce several themes:

NAPFA grew out of a small pre-NAPFA network of independent advisors.

Bob Underwood played a central role in finding other people who did not sell products.

SIFA helped create the conditions for NAPFA.

Early NAPFA grew slowly by design.

The central idea was independence from sales, commissions, and referral fees.

Fee-only was the original differentiator.

Comprehensive planning made the advice more valuable.

Professional competence required broad education.

Public awareness mattered because consumers did not understand the difference between advice and sales.

Membership standards mattered because NAPFA's credibility depended on who could and could not belong.

Maloney's clearest summary of NAPFA's founding idea remains this:

> *"To create an organization independent of sales, commissions, and referral fees."*

That is why NAPFA mattered in the beginning.

That is why the early history matters now.

Source Notes

Primary interview sources: Gary Pittsford interview transcript, 2026; John Sestina telephone interview transcript, June 3, 2026; Mike Leonetti interview transcript, June 25, 2026.

Primary NAPFA historical sources: 1984 NAPFA Articles of Incorporation; Gary Pittsford, "The Beginning of NAPFA"; early NAPFA newsletters and NAPFA history documents supplied with the research files.

Profession framework sources: Donald Trone, "What Will It Take To Make It a Profession?"; Dave Yeske, "A Concise History of the Financial Planning Profession," Journal of Financial Planning, September 2016; Dan Moisand, "Building The Profession Through (Joining) Membership Associations," Kitces.com, June 2026; Chapter 19 of AdvisorSmart for the Individual Investor.

Professional-conflict comparison sources: AICPA Code of Professional Conduct materials on integrity, objectivity, conflicts, commissions, and referral fees; ABA Model Rules of Professional Conduct on conflicts of interest and business transactions with clients; AMA Code of Medical Ethics on physician sale of health-related products; ADA Principles of Ethics and Code of Conduct on veracity, patient trust, and improper rebates or compensation arrangements.