

Individual Financial Planning and Investment Management

What kind of accounts can you set up and manage?

We can set up new or manage your existing: individual and joint taxable investment accounts, trust accounts, individual retirement accounts such as traditional and Roth IRAs, college savings accounts (529s) and business accounts like SEP / SIMPLE IRAs, solo 401(k)s, and traditional 401(k) plans, among others.

Where will my account(s) be held?

For individual accounts, we use TD Ameritrade Institutional for custody of clients' accounts. TD Ameritrade has a robust technology platform designed for registered investment advisors that allows for efficient trading and account management. Accounts are set up in clients' names, are owned by clients and are directly accessible by clients at all times. We are simply granted limited power of attorney to make trades on clients' behalf and bill for advisory fees quarterly. Clients receive account statements, tax forms and transaction confirmations directly from TD Ameritrade.

How will my money be invested?

Portfolios are invested according to each client's individual objectives, risk tolerance and time horizon. Asset allocation and selection of individual investments is done with these factors in mind and will be discussed with each client prior to money being invested.

How much do you charge?

Investment management fees typically range from 1.0% - 1.3% of the amount invested per year. For financial planning, we charge clients by the hour or a flat fee depending on the task and scope of work. We maintain on-going financial planning arrangements with clients for as little as \$125 per quarter (3 months). Clients may reach out to us anytime throughout the year with questions, and we will maintain a financial planning file (list of goals, schedule of to-dos, archive of tasks completed, account list, etc.).

Is there a minimum dollar amount I need to open an account?

No - we do not have pre-set account minimums. Clients may open new accounts with \$0 with an automatic investment plan.

I'm not in a position to start investing now, but I'd still like to discuss financial planning. Can I work with you?

Yes. Though most of our clients have investment accounts with us, we have several clients for whom we only do financial planning work.

Do I have to live in the Dallas-Fort Worth area to work with you?

No, we have clients in several other cities in Texas and in other states and can work with clients living outside the Dallas-Ft. Worth area.

Small Business / Non-profit Retirement Plans

How difficult is it to set up a retirement plan?

Depending on the type of plan, there is a fair bit of time and paperwork involved up front (plan documents, account applications, employee enrollment forms, etc.), but none of this is particularly difficult. We take care of the required initial and on-going set up tasks and paperwork, and clients are generally responsible for making sure their payroll department or company is informed about making employer and employee contributions.

Do I have to let all of my employees participate in my retirement plan?

Most types of retirement plans allow but don't require employers to have some kind of waiting period (1 to 2 years) before allowing employees to participate in a retirement plan. These rules must be applied consistently to all employees.

How much does it cost to set up and maintain a retirement plan?

Most types of retirement plans require employers to offer a matching contribution of at least 3% of employees' salary. Matching contributions are, for most plans, the largest cost associated with maintaining a retirement plan. Calculate 3% of your organization's total payroll to get an idea of this cost. Up-front and on-going administrative costs vary widely depending on the type of plan and number of employees. For example, a SIMPLE IRA plan for a business or non-profit organization with 8 employees can cost \$800 - \$1,600 to set up depending on if the employer wants us to hold an enrollment meeting and individual employee meetings at their place of business. We may offer reduced rates for non-profit organizations.

Where are employees' accounts held?

We typically use Vanguard or TD Ameritrade as the custodian for our retirement plans. Both custodians offer a wide variety of investment options along with minimal account fees.

If I own a small business, can I participate in the retirement plan, or is it just for my employees?

Owners can always participate in their retirement plans and contribute up to the maximum dollar amount allowed by law just like employees. These limits are typically \$13,000 - \$19,000 per year for those under age 50, and \$16,000 - \$25,000 per year for those age 50 or older (depending on the type of plan). Employers with no employees can contribute significantly more each year.