



# Personal Financial Planning Section

## Personal Financial Outlook

Name: \_\_\_\_\_  
 Phone: \_\_\_\_\_

Email: \_\_\_\_\_  
 Fax: \_\_\_\_\_

The following checklist was adapted from the *Personal Financial Report Card* and can be used as a starting point to summarize a client's financial situation and identify important issues and opportunities for planning. Include this checklist in your tax organizers or have new clients fill it out prior to working on a planning engagement.

**Note:** When working with a married couple, both spouses should fill out individual checklists *or* be sure to answer only "Yes" or "No" when applicable for both spouses.

<b>ESTATE PLANNING</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
<b>Wills &amp; Living Trusts</b>			
Do you understand the importance of having a will and an estate plan?			
Do you have a will?			
Has it been updated since the last major life event (birth, death, marriage, divorce, move from another state, etc.)?			
Have you appointed a guardian for your minor children?			
Are you and your spouse U.S. citizens?			
Have you created a living trust (or carefully considered and determined it wasn't necessary)?			
Have you transferred the appropriate assets into the trust?			
Has anyone taken your present plan and flow charted the way your documents actually work and what your heirs will receive from your estate?			
Do you understand the effects of a premature death on your assets and family lifestyle?			
Do your executor and your beneficiaries know the location of these documents or the appropriate person to contact?			
Do you understand how inheritance taxes affect your estate plan?			
<b>Titling of Assets</b>			
Have you properly designated beneficiaries on all retirement accounts and life insurance policies?			
Have you used such designations on bank accounts, brokerage accounts, and automobile title documents?			
Do the beneficiaries have copies of these designations so that they'll be able to quickly transfer assets if needed?			
Have you determined the appropriateness of joint designations on shared assets and considered the effect on community property rules, if applicable?			
<b>Irrevocable Trusts</b>			
Have you considered and, if appropriate, established Credit Shelter Trusts, Qualified Personal Residence Trusts, Grantor Retained Interest Trusts, and Special Needs Trusts?			
<b>Advance Directives</b>			
Have you considered and, if appropriate, prepared health care proxies, durable powers of attorney for financial decisions, HIPAA Authorizations, and living wills?			
Have you provided the appropriate people with documents needed to utilize these?			
<b>Gifts &amp; Charitable Planning</b>			
Is it important for you to leave assets to your loved ones and/or charity?			
Have you considered your strategy for gifts to loved ones?			
Have you executed it?			
Have you considered your strategy for charitable contributions?			
Have you executed it?			



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<b>INVESTING</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
<b>Asset Allocation</b>			
Have you identified the time frame within which you'll need the funds from various investment accounts?			
Have you determined your risk tolerance and the returns you'll need to achieve your goals?			
Have you determined the appropriate percentage of your assets to commit to equity investments?			
Have you developed an overall investment strategy?			
Have you executed the strategy?			
Are you satisfied with your investment performance?			
<b>Diversification</b>			
Have you identified any concentration of investments that may be placing you at unnecessary risk?			
Have you identified ways of diversifying to reduce that risk?			
Have you considered hedging strategies?			
Have you executed your diversification strategy?			
<b>Benefits</b>			
Do you fully understand the employee investment programs available to you?			
Are you participating in your company 401(k) plan and taking advantage of employer matching contributions?			
Have you determined the strategies for exercising and selling employee stock options, if applicable?			
Have you identified all government benefits to which you may be entitled?			
Are you executing strategies to take advantage of them?			
Do you think an annuity or lump sum is a better strategy for you?			
Would you prefer to take a single life annuity or a joint life annuity, or other?			
<b>Tax Planning</b>			
Have you determined the appropriate allocation of investments between taxable and tax-deferred accounts?			
Have you identified strategies for transfer of investments to other family members?			
Have you determined the funds that need to be set aside to cover upcoming tax obligations?			
Have you considered the potential impact of the alternative minimum tax on your planning?			
Do you have a strategy to withdraw funds in the most tax efficient manner?			
<b>Cost Minimization</b>			
Have you chosen cost-effective ways of making and holding investments?			
Are you minimizing unnecessary turnover of investments?			
Have you determined whether it is appropriate to acquire individual securities rather than mutual funds?			
Have you adopted strategies to minimize the tax cost of investments held in taxable accounts?			



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<b>RISK MANAGEMENT</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
<b>Business &amp; Umbrella Coverage</b>			
Have you determined the necessary business liability protection?			
Have you obtained solid coverage from a reliable carrier?			
Have you estimated the umbrella coverage needed for personal assets?			
Have you obtained the necessary coverage?			
<b>Life Insurance</b>			
Have you determined the amount of life insurance coverage required for loved ones?			
Have you determined the proper type of life insurance to acquire?			
Is the life insurance policy owned by the correct person or entity?			
Have you cancelled unnecessary and inappropriate forms of coverage?			
Have you recently reviewed older policies to assess the policy performance, the strength of carrier, or if better alternatives exist?			
Are you familiar with the uses of life insurance plans beyond the death benefit?			
Do you understand the Social Security Death Benefit?			
<b>Property &amp; Liability Insurance</b>			
Do you have adequate replacement cost coverage of assets?			
Do you have additional protection as needed for floods and earthquakes?			
Have you properly covered valuable items such as artwork or jewelry?			
Do you have an inventory of your assets for insurance purposes in a safe location?			
Have you eliminated unneeded coverage and raised deductibles for losses you can afford to pay?			
Have you consolidated various policies with one insurer to benefit from multi-policy discounts?			
<b>Health Insurance</b>			
Are all your family members covered for catastrophic health care costs to the extent possible?			
Do you have coverage in the form you want from a reliable provider?			
Have you raised deductibles on expenses you can afford to pay and/or considered a health savings account?			
Do you exercise regularly and avoid smoking?			
Are you familiar with the eligibility requirements associated with Medicare?			
<b>Disability &amp; Long-Term Care Insurance</b>			
Would your financial plan survive if you had a catastrophic event?			
What would happen to your lifestyle if you did not have adequate coverage?			
Have you determined the need for income protection policies?			
Have you obtained as much coverage as you can from a reliable provider?			
Are you paying with after-tax dollars to ensure benefits are tax-free?			
Have you considered and, if appropriate, obtained long-term care insurance?			
Do you understand the costs associated with nursing home care and how the Medicaid program is administered?			



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GOALS	Yes	No	N/A
<b>Retirement</b>			
Have you determined when or if you plan to retire?			
Have you calculated the capital you will need to fund retirement?			
Have you identified probable sources of retirement income other than investment earnings?			
Have you considered the availability of social security and the appropriate age to start receiving benefits?			
Have you determined the appropriateness of annuities and reverse mortgages to finance retirement costs?			
Have you taken into account unexpected costs in retirement (e.g. health care or caring for a loved one)?			
Are you currently saving enough to meet your retirement needs after considering taxes and inflation?			
Do you have a specific distribution strategy for your retirement funds?			
<b>College</b>			
Have you determined the extent to which you want to assist loved ones in financing the costs of attendance?			
Do you plan to pay for an in-state school or private institution?			
Have you considered the available savings vehicles?			
Are you funding them?			
Have you considered other vehicles in addition to 529 plans? Have you run the numbers for college aid?			
<b>Home</b>			
Do you have plans to acquire a home (or a larger or second home)?			
Have you estimated a reasonable amount to pay for it and what your mortgage options are?			
Have you determined the necessary cash down payment to purchase and furnish the home?			
Are you saving for the amount you've determined?			
Have you considered refinancing your existing mortgage(s)?			
<b>Work</b>			
Are you in the line of work that you wish to be?			
Are you satisfied working for your present company?			
Are you taking appropriate education courses to improve your skills or to prepare for a career change?			
Are you saving what is needed to prepare for a planned career change or sabbatical?			
<b>Enjoying Now</b>			
Do you know when and where you will be taking your next vacation?			
Do you reserve time each week for those who are most important to you?			
Have you identified those pleasures that you can afford right now without endangering your future?			
Have you considered your spiritual and other needs and made sure they are not being crowded out by excessive focus on making money?			



# Personal Financial Planning Section

<b>SPENDING</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
<b>Saving Target</b>			
Do you have a clear picture of your financial objectives and what how you need to save to achieve your goals?			
Have you determined a reasonable savings rate for the achievement of your financial goals?			
Have you come to an agreement with your significant other so that you are both comfortable with this rate?			
<b>Emergency Reserve</b>			
Have you calculated what your non-discretionary monthly expenses are?			
Do you have 3 to 6 months of cash to cover expenses if you were to lose your job or another unexpected event occurred?			
<b>Budgeting</b>			
Do you know how much you spend each month?			
Have you identified expenditures that provide little real value?			
Do you have strategies for purchasing needed items in bulk or at the right time to reduce costs?			
Do you have discretionary funds for each family member that doesn't need to be accounted for?			
Do both spouses understand the family finances and would both spouses be able to make decisions in the event of an emergency?			
Have you considered costs of caring for elderly parents or for adult children?			
<b>Liquidity</b>			
Are you holding the appropriate amount of cash needed to cover expected payments, allow maximum deductibles on insurance, take advantage of opportunities to purchase items at bargain prices, and sleep peacefully when investments are down?			
<b>Debt Management</b>			
Have you eliminated non-deductible debt to the extent possible?			
Have you reviewed interest rates on debts and taken steps to reduce them, if applicable?			
Do you have available but unused lines of credit to satisfy liquidity needs?			
Do you know your credit score and have you taken reasonable steps to keep it high?			
Do you check your credit report regularly to make sure your identity has not been compromised?			



# Personal Financial Planning Section

LIFE EVENTS	
Graduating/Starting Out	Saving for College
Changing Jobs	Managing College Expenses
Receiving a Promotion	Planning/Saving for Retirement
Coping with Unemployment	Long-Term Care Planning
Getting Married	Planning an Estate
Getting Divorced	Planning for Business Succession
Starting a Family	Nearing Retirement/Retirement
Renting/Buying a Home	Caring for an Aging Parent
Refinancing a Home	Loss of Spouse
Selling a Home	Receiving an Inheritance/Financial Windfall
Starting a Business	Other: _____

[Source: adapted from "Life Events" section of Forefield Advisor]

PLANNING INTERESTS	
Estate planning/organization	Charitable planning
Insurance review/planning	Budgeting, savings and accumulation
Retirement planning	Inflation/standard of living update
Investment planning	Business valuation/review
Education funding	Business continuation concerns
Tax planning	Other: _____