



**DIVERSIFIED
WEALTH
MANAGEMENT**

*Diversified Financial Planning Services
for Individuals and Small Businesses*

Do I need to do Financial Planning?

If so, what type of planning do I need?

Self Scoring

Please write in the corresponding number for each of your answers. Total your answers after each section and again on the last page.

Client Name _____

Spouse Name _____

Date Completed _____

GENERAL

1. I have all of my financial goals and objectives written out and clearly defined:

- [0] NO
- [4] YES

_____ score

2. In general, I am confident that I'm "on-track" to achieve all of my financial goals:

- [0] NO
- [2] MAYBE or MOST OF THEM
- [4] YES

_____ score

3. In general, I feel confident that I'm knowledgeable enough to address my Financial Planning objectives with a high degree of competency:

- [0] NO
- [2] MAYBE or MOST OF IT
- [4] YES

_____ score

4. I have enough time to research the relevant Financial Planning topics, rules, tax laws, and make sense of them:

- [0] NO
- [4] YES

_____ score

5. I feel confident that I can sort through all of the various Financial Planning issues and address each concern form a comprehensive viewpoint:

- [0] NO
- [4] YES

score

SUB TOTAL (General) = _____

RETIREMENT

1. In general, I am confident that I'm "on-track" for retirement :

- [0] NO
- [2] PRETTY SURE / I THINK SO
- [4] YES

score

2. I have a clear idea of what I want my retirement to be like:

- [0] NO
- [2] KIND OF / I THINK SO
- [4] YES

score

3. I have a good idea of how much income I will need during retirement based on my spending habits and future expenses during retirement time :

- [0] NO
- [4] YES

score

4. I'm confident that I will have enough retirement income (inflation adjusted) to live comfortably throughout retirement:

- [0] NO
- [4] YES

score

5. I feel comfortable that my current savings level combined with my expected rate of return will accrue to the amount necessary for retirement:

- [0] NO
- [4] YES

score

6. I have run projections for my retirement based on my current asset allocation, risk level, income sources, pensions, social security, life expectancy, income needs, etc :

- [0] NO
- [4] YES

score

SUB TOTAL (Retirement) = _____

ESTATE PLANNING

1. I have worked with an Estate Planning Attorney in the last 5 years and completed the legal documents that are required to accomplish my desired estate planning objectives:

- [0] NO
[4] YES

score

2. I have identified and properly registered all my beneficiary designations in order to assure my assets pass to the correct people :

- [0] NO
[4] YES

score

3. I have a good understanding of how “estate taxes” are applied and have done the proper tax planning needed to assure the most efficient transfer of assets :

- [0] NO
[4] YES

score

4. I’m confident that my heirs will have a clear understanding of my wishes at the time of my death and have made the necessary arrangements to accomplish those wishes :

- [0] NO
[4] YES

score

5. I have a systematic method of reviewing my estate planning to assure that changes in the tax code, estate planning laws and my assets are always in-line with my wishes and objectives :

- [0] NO
[4] YES

score

SUB TOTAL (Estate Planning) = _____

INSURANCE

1. I feel confident that I am fully insured for a premature death or a long-term disability (loss of income) at the most cost efficient rate and for the proper time frames:

- [0] NO
[4] YES

score

2. I have identified how much net monthly income my family or heirs would need in the event of my premature death or long-term disability (loss of income):

- [0] NO
[4] YES

score

3. I have researched the potential need for insurance in my “older ages” in the event I need Long Term Care and potential the impact on my estate planning :

- [0] NO
- [4] YES

score

4. I have reviewed my auto and home (property and casualty) coverage in the last 2 years to make sure that the coverage levels are sufficient and that I’m paying a competitive rate:

- [0] NO
- [4] YES

score

5. I’m confident that all of my liabilities (personal and business) are fully insured at a competitive rate and at the proper levels:

- [0] NO
- [4] YES

score

6. I have reviewed my employer’s insurance benefits and researched the best way to coordinate those benefits with my personal insurance needs and policies:

- [0] NO
- [4] YES

score

SUB TOTAL (Insurance) = _____

INVESTMENTS

1. In general, I feel confident that I have the time and knowledge to invest my money wisely:

- [0] NO
- [4] YES

score

2. I have a target asset allocation model that I follow for each investment objective:

- [0] NO
- [4] YES

score

3. I feel confident that the level of risk I am taking with my current investments is appropriate for my time horizon and investment goals:

- [0] NO
- [4] YES

score

4. I track my investment returns on a consistent basis and feel confident that I'm achieving the best rate of return possible for my targeted risk level:

- [0] NO
- [4] YES

score

5. I have the tools and research available to analyze my portfolios and determine the best investment options to achieve my objectives:

- [0] NO
- [4] YES

score

6. I understand how to systematically rebalance and maintain my portfolios on a regular basis in an effort to potentially increase returns and lower risk:

- [0] NO
- [4] YES

score

SUB TOTAL (Investments) = _____

EMPLOYER BENEFITS

1. In general, I feel confident that I'm taking full advantage of the benefits that my employer offers me:

- [0] NO
- [4] YES

score

2. I understand how my employer sponsored group insurance benefits work and feel confident that I'm enrolled at the proper levels to accomplish my financial goals:

- [0] NO
- [4] YES

score

3. I feel confident that I am taking full advantage of my employer's retirement plans, pensions, matching or profit sharing contributions and other payroll deduction options:

- [0] NO
- [4] YES

score

4. At open enrollment time, I read all the materials thoroughly and research the changes and new options that my employer might make available to me:

- [0] NO
- [4] YES

score

5. I do a periodic review of my benefit plans, payroll withholdings and other employer related incentives to assure that I'm taking advantage of all potential tax saving programs:

- [0] NO
- [4] YES

_____ score

SUB TOTAL (Employer Benefits) = _____

EDUCATION PLANNING

1. I know how much my children (or grandchildren) will need to spend on their education:

- [0] NO
- [4] YES

_____ score

2. I feel confident that I am "on-track" to save enough to cover my education savings goal for each child:

- [0] NO
- [4] YES

_____ score

3. I have a good understanding of how much I should save based on my income, my child's desired (or likely) school choice and the loans or grants my child may be eligible for:

- [0] NO
- [4] YES

_____ score

4. I understand the differences between the various education savings vehicles that are available and how those should be used based on my education savings goals:

- [0] NO
- [4] YES

_____ score

5. I feel confident that I can save for my children's education while balancing my other financial planning goals in a tax efficient manner :

- [0] NO
- [4] YES

_____ score

SUB TOTAL (Education Planning) = _____

CASH and DEBT MANAGEMENT

1. I use a system (i.e. Quicken, excel, MS Money) to track where and how I spend my money so that I can analyze my budget and spending needs:

- [0] NO
[4] YES

score

2. I feel confident that I am getting the best yield possible on my savings, checking, money markets and CDs to help increase my cash flow:

- [0] NO
[4] YES

score

3. I feel confident that I have my unsecured debt , mortgages, HELOCs and other debt structured in the most efficient way possible in order to coordinate with my other financial planning objectives:

- [0] NO
[4] YES

score

4. I am confident that my debt is structured in the most tax efficient way possible:

- [0] NO
[4] YES

score

5. I am paying off my debt at the correct pace and at lowest “net cost” in order to assist me in achieving my financial planning objectives:

- [0] NO
[4] YES

score

SUB TOTAL (Cash and Debt Management) = _____

TAX PLANNING

1. In general, I am confident that I am taking advantage of every possible tax incentive, tax deduction, and tax shelter available to me:

- [0] NO
[4] YES

score

2. I work with a tax professional (accountant or CPA) each year to prepare my return and/or to consult with me on tax planning strategies:

- [0] NO
[4] YES

score

score

3. I am confident that I am taking advantage of all possible tax deductible (or tax free) retirement accounts, education savings accounts and other investment vehicles:

- [0] NO
- [4] YES

_____ score

4. I take the time to understand my tax return, tax withholding, tax deductions, tax credits and tax preferred instruments:

- [0] NO
- [4] YES

_____ score

SUB TOTAL (Tax Planning) = _____

YOUR SCORE

FILL IN YOUR TOTALS

- 0 to 20 _____ General
- 0 to 24 _____ Retirement
- 0 to 20 _____ Estate Planning
- 0 to 24 _____ Insurance
- 0 to 24 _____ Investments
- 0 to 20 _____ Employer Benefits
- 0 to 20 _____ Education Planning
- 0 to 20 _____ Cash and Debt Mgmt
- 0 to 16 _____ Tax Planning

0 to 188 _____ TOTAL

Do I need to do Financial Planning?

Apply your total score to the table below to determine if you need to do Financial Planning and (if so) what kind of planning you need:

- 0 to 68 - Full Comprehensive Plan**
- 69 to 102 - Reduced Comprehensive Plan**
- 103 to 144 - Position/Condition Assessment**
- > 144 - You don't need any help**

Talk to your advisor about the planning options, fees, and to obtain a checklist of items needed to get started on your Financial Planning.