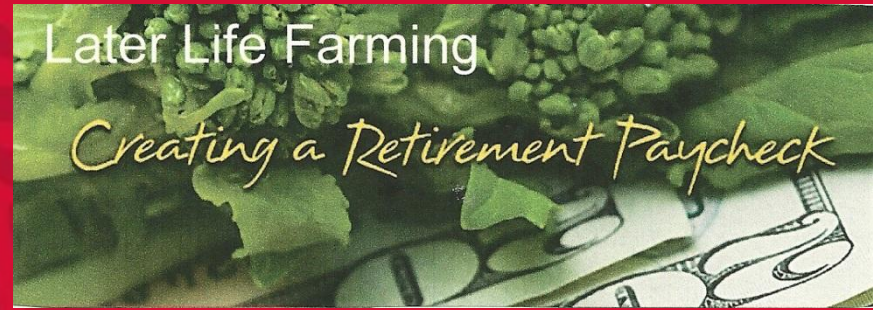


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*Creating a Retirement Paycheck*



# Choosing Your Team of Financial Advisors

**Barbara O'Neill, Ph.D., CFP®**

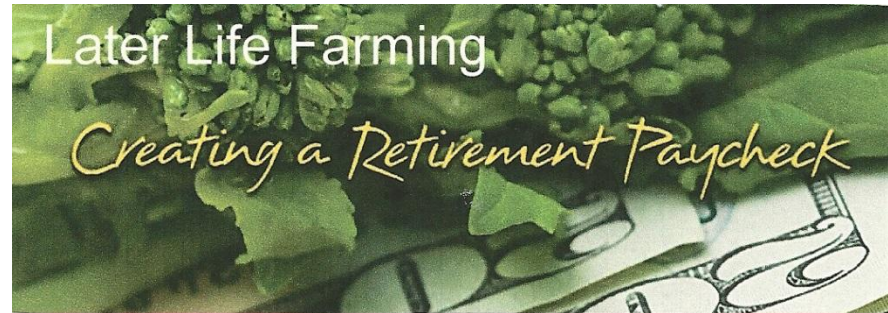
**Rutgers Cooperative Extension**

**[oneill@aesop.rutgers.edu](mailto:oneill@aesop.rutgers.edu)**

**Twitter: @moneytalk1**

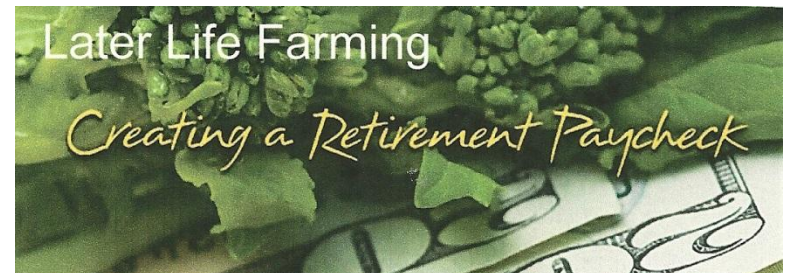
# Getting Financial Help

- Saves time
- Saves money
- Reviews strategies you've chosen
- Gets you started on financial tasks
- Helps you through major life changes



# Your Financial Professional Team

- Banker
- Real estate agent
- Lawyer
- Accountant
- Insurance agent(s)
- Estate planner
- Investment adviser
- Stock broker
- Financial planner



# What is a Financial Planner?



- Most financial planners are investment advisers, but not all investment advisers are financial planners
- Some financial planners assess every aspect of finances and help clients develop a detailed plan to meet financial goals (ongoing relationship)
- Other financial planners provide services on an as-needed basis
- Major designations include CFP®, ChFC, and CPA/PFS



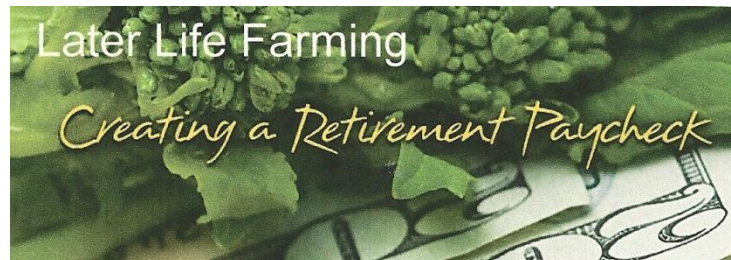
# What is an Investment Adviser?



- An investment adviser is an individual or a firm that is in the business of giving advice about securities to clients
- For instance, individuals or firms that receive compensation for giving advice on investing in stocks, bonds, mutual funds, or exchange traded funds are investment advisers
- Some investment advisers manage portfolios of securities

# What is a Financial Adviser?

- The title "financial adviser" is not regulated
- No government body dictates who can call themselves one
- So, anyone can print up business cards and call himself or herself a financial adviser



# Costs of Financial Advice

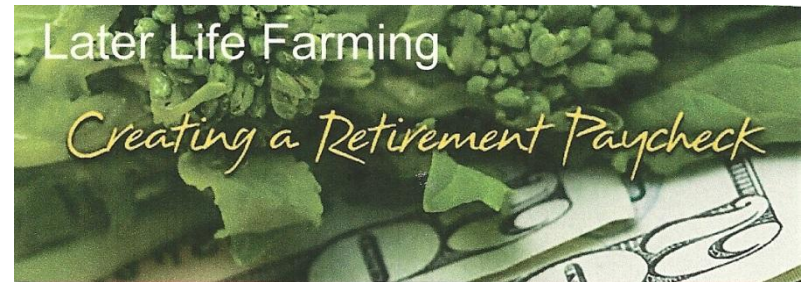
- Salaries



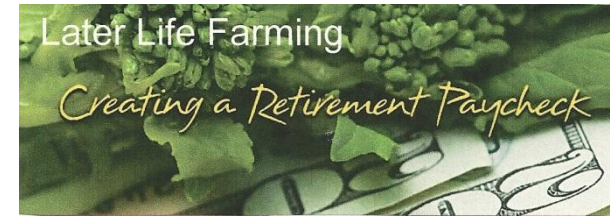
- Fees

- Commissions

- Combination of fees and commissions



# Fee Only Planners



- Only get paid for giving advice
- Does not matter if client follows the advice and buys financial products...or not
- May be hourly fee, flat fee, or retainer fee (% of assets under management or net worth)
- Often target upper-income clients



# Commission Only

- Commission paid for buying or selling securities, insurance, etc.
- Commission decreases your total investment
- Financial planners can get commissions if they are associated with a brokerage firm

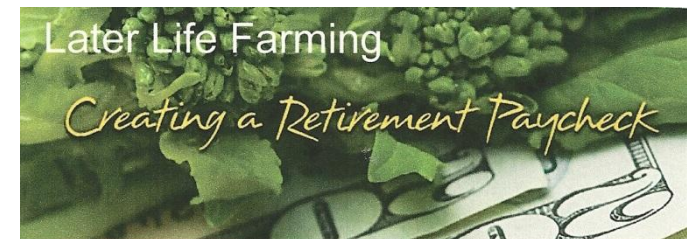
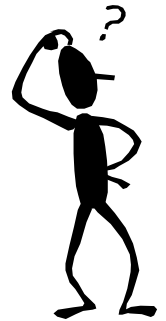


# Fees and Commissions

- Planner receives both forms of payment
  - a fee for developing financial plan and commissions to sell insurance and investment products recommended in the financial plan
- Also called “fee based” or “fee offset”
- Reference: <http://www.dummies.com/how-to/content/how-financial-advisors-get-paid.html>

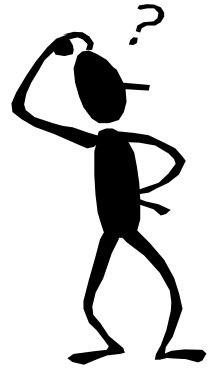
# Choosing Your Financial Team

- Get referrals from friends or other professionals
- Call at least three professionals for each category
- Check out references
- Set up face-to-face meetings
- Ask "Do I trust this person?"
- Make the decision



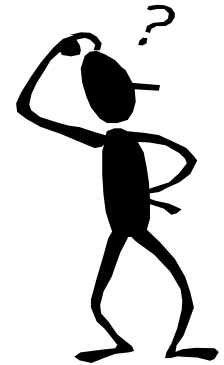
# Some Questions for Financial Planners

- How long have you been a financial planner?
- What related experience do you have?
- What are your professional credentials and affiliations?
- What is your investment philosophy?
- How will we work together?



# More Questions for Financial Planners

- What services do you offer?
- What can I expect from you?
- What will it cost and how are you paid?
- Who will work with me?
- May I see a sample financial plan?
- Are you registered with state or federal regulators?





# Get Help When Needed

- CPA when receiving lump sum distribution
- Financial planners:
  - [www.napfa.org](http://www.napfa.org) (Find an Advisor)
  - [www.fpanet.org](http://www.fpanet.org) (Find your Financial Planner)
  - [www.cfp-board.org](http://www.cfp-board.org) (Find a CFP® Professional)
- Go prepared to reduce time and fees
  - Bring financial statements, list of goals



# RCE Money and Investing Site

<http://njaes.rutgers.edu/money/>

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- Health Finance
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## Personal Finance

**Programs:**

- [The Financial Aspects of Health](#)
- [The High School Financial Planning Program](#) (HSFPP)
- [Investing For Your Future](#) (home study course)
- [Money 2000 and Beyond](#)
- [Rutgers University Financial Independence Training](#) (RU-FIT)

**Assessment Tools:**

- [Financial Fitness Quiz](#)
- [Identity Theft Risk Assessment Quiz](#)
- [Investment Risk Tolerance Quiz](#)
- [Personal Resiliency Resources Assessment Quiz](#)
- [Wise Credit Management Quiz](#)

**Microsoft Excel Financial Templates:**

- [Asset Allocation Spreadsheet](#)
- [Asset Allocation Spreadsheet With Pie Chart](#)
- [Net Worth Calculation Spreadsheet](#)
- [Spending Plan Worksheet](#)

**Resources:**

- [America Saves Enrollment Form](#) (171k PDF)
- [Ask the CFPs](#)
- [ATM/Credit Card/Cash Tracker](#) (98k PDF)
- [Beneficiary and Personal Representative Designations Worksheet](#) (19k PDF)
- [Credit File Request Form](#) (41k PDF)
- [Financial Fitness Calendar](#)
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