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Guide to Communicating the Results of Personal Financial Planning Engagements

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NOTICE TO READERS

The *Guide to Communicating the Results of Personal Financial Planning Engagements* was prepared by the AICPA's Personal Financial Planning (PFP) staff and the PFP Practice Responsibilities Task Force. It is designed as educational and reference material for AICPA members and others who provide PFP services. The nonauthoritative practice aids in this Guide do not present positions but attempt to offer some alternatives that practitioners can choose from and then modify, if necessary, to meet their needs. They are intended as time-saving illustrations and tools. They are not intended to establish standards or preferred practices.

This practice aid has not been approved, disapproved, or otherwise acted upon by any senior technical committee of the AICPA and has no official or authoritative status. Authoritative technical literature should be consulted in carrying out all engagements, including PFP engagements.

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PREFACE

The AICPA has prepared this Guide of nonauthoritative practice aids to assist certified public accountants (CPAs) in the efficient and competent delivery of personal financial planning services to their clients. The Guide is designed to help CPAs write clear and effective letters, memoranda, and financial plans to present the results of their PFP engagements.

This Guide is intended for practitioners who are developing comprehensive personal financial plans as well as those performing segmented planning and consultation engagements.

Your comments and suggestions would be appreciated and should be addressed as follows:

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GUIDE TO COMMUNICATING THE RESULTS OF PERSONAL FINANCIAL PLANNING ENGAGEMENTS

1. INTRODUCTION

.01 The personal financial planning (PFP) process involves working with clients to identify their financial goals and analyzing alternatives and developing recommendations for achieving those goals. The end result is the communication of your recommendations to your clients, who in turn implement or take action on your recommendations.

.02 This publication is designed to help you prepare clear and concise written communications to your clients about the results of your PFP engagements by —

- Providing practical guidance for clearly communicating your planning recommendations in writing.
- Summarizing existing reporting standards that apply to historical and prospective financial statements.

.03 If you choose to orally communicate your advice and recommendations, you may find it helpful to prepare a memo for the file, documenting your advice. This practice aid does not address the writing of file memoranda or other documentation of oral advice.

2. WRITTEN VERSUS ORAL COMMUNICATION

.01 Your recommendations may be communicated orally or in writing. As a practitioner, it is up to you to determine whether written or oral communication, or a combination of both, is appropriate. AICPA Professional Standards neither require that you communicate the results of PFP engagements in writing, nor mandate any style or format for written personal financial plans that you choose to prepare. However, if you choose to prepare a written report and include historical or prospective financial information, you may be subject to some of the reporting standards discussed in appendix A, "Summary of Established Standards on Historical and Prospective Personal Financial Statements."

.02 Whatever format you choose to communicate, the benefits of the PFP process are more likely to be realized if your recommendations are communicated in a manner that makes them easy to understand and implement.

Reasons for Written Communications

.03 CPAs who communicate their PFP recommendations in writing typically do so for one or more specific reasons. A written communication can be used to —

- Inform clients of the work completed and relate the work to the original engagement understanding.
- Summarize your clients' goals and objectives, financial status, and other relevant information in a single document.
- Document the observations, analyses, and findings that support your conclusions and recommendations, as well as any qualifications on your recommendations.
- Provide a clear summary of your recommendations and an action plan to facilitate implementation of those recommendations.
- Provide an efficient way to review the overall project to determine that the objectives were met, that sufficient data were gathered, and that the analyses performed support the written conclusions and recommendations.
- Identify and explain the significance of any qualifications or limitations on your recommendations.
- Explain a complicated and important financial transaction or recommendation clearly and concisely.
- Provide a reference point for the implementation of recommendations and coordinate the activities of the third parties involved in the implementation process.
- Educate your client about products, strategies, and other issues in the planning process.
- Reinforce the importance of implementing, monitoring, and updating financial planning recommendations, providing a basis for continuing client service.

General Guidelines for All Written Communications

.04 The format and content of written recommendations can affect the success of implementation. Reports that are unwieldy and overwhelming can frustrate your clients and their attempts to implement your recommendations. Clear, concise, and readily understandable recommendations, accompanied by a succinct, workable action plan, can facilitate action on your recommendations and your clients' ultimate satisfaction with the PFP process.

.05 If you choose to provide written PFP recommendations, the following techniques may make your communication more useful for your clients.

.06 Provide a Succinct Statement of Your Recommendations. Your clients are typically busy and often lack any formal training on financial subjects. Writing in plain English and avoiding technical jargon can make your recommendations easier to follow. It may also help to include explanations of any tax, financial, or legal concepts.

.07 Identify Qualifications or Limitations. In financial planning, you are addressing the uncertainties of the future; furthermore, you will often have to base your recommendations on ambiguous findings and analyses. You cannot answer all your client's questions with certainty. Aside from these limitations, you may be faced with other constraints, imposed by your clients wishes, available information, or other factors. These issues often affect your recommendations.

Action Tip

Consider using a separate action plan to summarize your recommendations. A bulleted list of points or a checklist action plan provides your clients with a handy, efficient reference tool as they implement your recommendations. They can refer to your report for more detailed information and analyses.

In some instances, such as in planning for busy executives, your clients may only want a brief action plan of your recommendations.

.08 Whenever you commit your recommendations to writing, you should consider the fact that your communication might be read, relied upon, and misinterpreted by your client or another third party. There is a very real possibility that your written recommendations can be used in court. Telling your clients what they can and cannot expect from the PFP process provides them with more useful information, and minimizes the chance for subsequent disputes or disagreements.

.09 Create Realistic Expectations. Unrealistic expectations often lead to client frustration and dissatisfaction. Your clients must understand that your recommendations are proposed strategies to help them achieve their goals, not a guarantee that the goal will be attained. Their expectation should be that your recommendations are appropriate for achieving their goals.

Action Tip

To avoid controversy and provide meaningful recommendations, consider clarifying information such as the following in your written communications.

- Your analysis is based on information provided by the client.
- You do not vouch for the achievability of any forecasts.
- You do or do not have any reservations about the recommendations.
- A change in one or more factors (such as client circumstances, tax laws, or economic conditions) might affect your analyses and recommendations.

3. KINDS OF WRITTEN COMMUNICATION

.01 The format and content of your communication depend on a number of factors, such as the reason or reasons for your communication; the client's circumstances; and your professional judgment. The following are three basic examples of reports that may be issued to communicate PFP recommendations. Although these are not the only kinds of written communication, they represent formats commonly prepared by CPAs.

Interim Reports

.02 An interim report, which may be simply a letter describing the status of your work, can be issued during the course of a long-term PFP engagement. This communication may be appropriate for one or more of the following reasons:

- To explain technical matters your client does not understand or items you and your client have not agreed on.
- To clarify the engagement scope or objectives if they change during the engagement or if you decide that the original understanding needs further comment.
- To present preliminary findings, conclusions, and action items that you choose to bring to the client's attention before completing the engagement.
- To communicate engagement progress or status, especially if an engagement is lengthy or complicated.

.03 The last point is important from the standpoint of a client relationship. Clients can easily lose interest during a long, complicated PFP engagement. Periodic status reports do more than keep your clients up to date; they can help to keep your clients committed to the PFP process and assure them that you're committed to helping them reach their financial goals.

Action Tip

Consider sending monthly status (interim) reports during lengthy engagements. This will document the progress — or lack of progress — in developing your financial planning recommendations, and the reasons for it. It also supports your bills, whether you bill your clients under a progress billing arrangement, at the end of the engagement, or on a flat fee basis.

Action Tip

Reinforce an interim report by explaining to your clients why it was written and how it can be used by them, as well as the relationship of the interim report to the overall financial plan or previous reports. This helps keep clients in the loop and avoid subsequent misunderstandings.

Recommendation Letters

.04 A recommendation letter may be written to summarize your professional advice or recommendations regarding a specified set of facts. You may choose to write such a letter if a client has requested advice about one or a few discreet issues. This letter can be used to summarize the relevant information regarding the issue and suggest a course of action.

.05 To enhance its usefulness, a recommendation letter may include the following:

1. A summary of the pertinent facts

2. An analysis of the applicable laws or other constraints (including, for example, how the issue relates to other financial planning areas)

3. A discussion of available strategies and the likely outcome of these strategies

4. Your recommendation and an explanation of the logic and conclusions supporting it

5. A caveat that your recommendations are based on the stipulated facts and circumstances and tax and other laws in effect at the time of your recommendation, and that any departures from the stipulated facts or delays in taking action could change your recommendation

Written Personal Financial Plans

.06 When you decide to commit your recommendations to writing, you may decide that a formal letter or report is appropriate. A written personal financial plan (a plan) communicates to a client your recommendations for taking action on one or more PFP issues. The remainder of this publication is devoted to specific issues related to developing plans to suit your clients' needs.

.07 Since there is no prescribed format or content for a plan, you have great flexibility in how you present your recommendations to your clients. The format and content of your communication will be decided by many factors, including the following:

- The plan's goals and objectives
- The complexity of your client's financial issues
- The need for other advisers
- The actions for taking steps to carry out recommended actions
- The importance of review of progress and updating the recommendations

.08 CPAs use a variety of formats for their plans. Some of the more common examples are the following:

- A single formal report summarizing all pertinent information about the client, the engagement, the analyses, and the recommendations
- A series of letters to the client, each addressing one or more specific planning issues that, taken together, address all the client's PFP issues (Accordingly, a series of interim reports, followed up by an executive summary tieing them together, could constitute a written financial plan.)
- A brief report, including a clear statement of recommendations near the front of the plan, a brief analysis of each major planning area, a list of goals and assumptions, an implementation schedule, and a transmittal letter.
- A brief report summarizing the recommendations (It is probably a good idea to retain sufficient documentation to support the recommendations.)

.09 It is a good idea to include enough information for your client to readily identify each course of recommended action. A clear, concise, and easy-to-follow plan can enhance your clients' satisfaction. Written plans frequently include some or all of the following components:

- Executive summary
- Summary of the client's goals and objectives
- Scope and approach, as well as any limitations on the engagement
- Conclusions and recommendations
- Financial schedules supporting or illustrating the recommendations
- Assumptions used in developing the recommendations
- Analysis of each major planning area, including findings and observations
- Historical financial statements
- Prospective financial information
- Implementation schedule or action checklist

Action Tip

If you decide to develop a formal plan, you might choose one of the following formats for organizing your plan.

- **Issue-Oriented Report.** Recommendations are summarized near the front of the report and followed up with a separate section for each area, outlining your analyses and the basis for your recommendations.
- **Concept-Oriented Report.** Recommendations are delivered in a way to reflect the potential impact on your client's financial situation. Starting with the current financial situation, the report would then restate the goals and objectives, present your recommendations, and conclude with the prospective financial information reflecting the implementation of your recommendations.

See appendix B, "Sample Tables of Contents," for examples of both of these plan formats.

4. PRESENTING FINANCIAL INFORMATION

.01 You may choose to summarize financial information in your written communication. This information may be in the form of historical information, information that reflects your clients' current state of affairs, or prospective information, such as projections of income, cash flow, or investment earnings. By including this information, you may become subject to the reporting standards for personal financial statements and for prospective financial information. These standards are briefly presented in appendix A, "Summary of Established Standards on Historical and Prospective Personal Financial Statements."

5. TIPS FOR MORE EFFECTIVE COMMUNICATION

.01 Implementation — the carrying out of your recommended actions — is the culmination of the PFP process and is necessary for your clients to reach their goals. Without implementation, the time and effort that went into preparing the recommendations are wasted.

.02 Successful implementation is more likely when you clearly express each recommended action. When presenting recommendations, it is often effective to —

- Restate your client's specific objectives and needs.
- Review the action plan responsibilities, and timeliness for achieving objectives.
- Obtain a commitment from your client to take action on the recommendations.

.03 Several strategies can help you clearly and concisely communicate your recommendations and motivate your client to take action on your recommendations.

Draft Report

.04 By meeting with clients to review a draft of your report, you can get preliminary feedback to determine whether your recommendations are on target. This technique also involves your clients in developing the final recommendations. Your clients may be more likely to take action on recommendations they helped to develop. Label the report, "Draft Report Subject to Change," in anticipation that your recommendations will be finalized after the report has been reviewed in detail during the meeting.

Outline

.05 Instead of reviewing a draft report, you may use an outline to summarize your recommendations and highlight key points. This approach may be appropriate if your client is a busy executive without much time to devote to reading a complete draft report. You can minimize the meeting time by discussing only key recommendations, leaving everything else for the final report. You can also take this opportunity to explain some of the concepts that are only summarized in the report.

> **Action Tip**
>
> Use the review of the draft report or an outline of your recommendations as an opportunity to have your clients verify data and information to be included in your final report. For example, your client might verify the ownership of assets and the accuracy of all assets and liabilities included in a statement of net worth. You may also review biographical data, such as birth dates and names.

Visual Aids

.06 Charts, graphs, reprints of articles, and other visual images explain and support your recommendations and help clarify key information. These items also lend a powerful visual imagery to your report and provide a powerful and exciting cognitive learning process to support your views. Technology makes it easy to incorporate graphic presentations in routine letters and reports.

.07 Visual aids can enhance the delivery of your recommendations. You may use them to —

- Provide a clear, concise depiction of voluminous or complicated information.
- Facilitate comparison of alternate strategies.
- Enhance understanding and comprehension.
- Visually reinforce the analyses and recommendations in your report, lending credibility to the written information.
- Increase the persuasiveness of your recommendations.
- Direct attention to important concepts.

Action Tip

Use charts, graphs, or other visual aids whenever you wish to present quantifiable information that the reader can grasp more readily and fully in visual form. Keep the information simple; the more information you get across quickly the more likely your advice will be heard, understood, and followed.

.08 The following are basic kinds of graphic presentations for financial information. The most appropriate format depends on the kind of information presented and the intended use of the information.

- ***Pie charts*** are used to represent component parts of a whole. For example, a pie chart is an excellent tool for depicting how your clients spend their money.
- ***Line graphs*** are used primarily to demonstrate trends over time. You might use a line graph to reflect your clients' investment returns over time.
- ***Bar (or column) charts*** are used most often to depict relative statistics over time. For example, you might use a bar chart to compare the cost of two or more insurance policies over a number of years. This graphic can be further enhanced by "stacking" or "grouping" the bars or columns to show changes in relative statistics over time.

.09 The current state of office technology makes it easier to embellish your reports with eye-catching graphics. Be careful to ensure that you use these embellishments to communicate useful information to your clients. Appendix C, "Sample Graphic Presentations," features examples of different presentations of personal financial information.

Action Plan or Checklist

.10 Once you have thoroughly reviewed the report, made corrections, and clarified your recommendations, you are faced with the task of getting a commitment from your client to implement your recommendations. An action plan (also referred to as an action checklist) can be used to clearly identify and prioritize each step in the implementation process. A sample action plan is featured in appendix D, "Action Plan."

Action Tip

After delivering your report, follow up with a letter and a copy of the action checklist. Ask your clients to mark the checklist for items they have completed. This gentle reminder emphasizes the importance of implementation, lets the clients see what they have accomplished, and reasserts your interest in their financial success.

6. ILLUSTRATIVE LANGUAGE TO INCLUDE IN WRITTEN PERSONAL FINANCIAL PLANS

.01 To enhance the usefulness of the written communication to the client, you may supplement your recommendations with language that helps to —

- Clarify the nature of the PFP engagement, including any client-imposed limitations.
- Reaffirm your understanding of the client's circumstances and goals and objectives.
- Emphasize the need to obtain the services of other advisers for completing the planning process.
- Describe the degree of reliance to be placed on financial information, including information not in the form of financial statements or partial presentations of financial statements.[1]
- Explain the recommendations developed during the financial planning process to facilitate action on the recommendations.
- Communicate the importance of periodic reviews and updates of plans.

.02 You can meet these objectives by covering the above information in each communication with the client or by reference to a previous communication, such as an engagement letter.

.03 This section contains several examples of illustrative language that may be included in a plan. These illustrations are examples only and are not intended to meet the needs of every engagement. You must judge for yourself whether they are appropriate for your use and what adjustments are needed to suit your unique client circumstances.

Clarify the Nature of the Engagement

.04 A plan may describe the nature of the engagement by including information such as the following:

1. The purpose for the plan — why you were engaged by the client

2. Limitations placed on the scope of your analysis and recommendations, or a description of areas not covered by the plan

---

[1] The terms *financial statements* and *partial presentations* are defined in existing professional standards. See appendix A.

3. A statement that different recommendations might have resulted if limitations had not been imposed

.05 The following illustrative language may be appropriate when reporting your recommendations:

> We are pleased to have the opportunity to assist you in developing your personal financial plans. The enclosed personal financial plan has been prepared to assist you in making decisions about your financial future. Your plan includes an analysis of the following areas:
>
> - Cash management
> - Retirement planning
> - Education funding
> - Income tax planning
> - Estate planning
> - Investment planning
> - Risk management planning

Action Tip

State clearly any areas you are not including in your recommendations. This tells your clients what they can and cannot expect from the plan.

.06 The following illustrative language may be appropriate when your client has imposed limitations on the extent of your services.

> We have considered ways to achieve your goals of funding your children's college education and your future retirement. However, you have instructed us not to consider other planning issues that might have an impact on those goals. If we had done so, it is possible that different conclusions or recommendations might have resulted.

Emphasize the Need for Other Advisers

.07 The plan may include a discussion of the need to obtain the services of other advisers. For example, if you recommend that the client purchase life insurance and you are not licensed to sell insurance or advise the client on available policies, you might include a recommendation that the client seek advice from or meet with appropriately licensed insurance professionals.

.08 The following illustrative language may be appropriate when the client needs to obtain the services of other advisers:

> Recommendations regarding insurance and investment alternatives are presented as guidelines and represent our general understanding of the information available to us. Before purchasing an investment product, you should thoroughly investigate the product and offering institution, and seek the guidance of a broker or registered investment adviser. Make insurance decisions with the assistance of a licensed insurance professional.

Reaffirm Your Understanding of the Client's Circumstances and Goals

.09 Your recommendations are based in part on your understanding of the client's goals and circumstances. Summarizing these goals and objectives in the plan can reinforce this understanding and support your recommendations. You may accomplish this by including information such as the following:

- Summary of the client's goals and priorities in measurable terms
- Expected time frames for achieving major goals
- Summary of the client's current and expected resources and obligations
- Summary of the client's family relationships, personal preferences, and relationships with other advisers

.10 The following examples illustrate the CPA's understanding of the client's circumstances and goals:

> We based our recommendations on your goals as described in the accompanying financial plan and your current financial condition as presented in the accompanying Statement of Financial Condition, as of XX/XX/XX, and Statements of Projected Future Income, Expenditures and Net Worth, as of XX/XX/XX.

.11 Alternatively, if recommendations are being made on only a few financial goals, language such as the following might be appropriate:

> We based our recommendations on your goals as described below and your current financial condition as presented in the accompanying Statement of Financial Condition and Statements of Projected Future Income, Expenditures, and Net Worth.
>
> - You wish to retire in ten years on today's equivalent of $3,000 per month. You expect to live approximately twenty years after retirement.
>
> - You wish to accumulate enough funds to pay approximately $5,000 per year for your son's college expenses, beginning in five years. You expect him to graduate four years after enrolling in college.

Describe the Degree of Reliance to Be Placed on Financial Information

.12 Your plan may contain significant amounts of financial information, including information not in the form of historical financial statements or partial presentations of prospective financial statements. Your clients need to know the relevance of these data and the appropriate degree of reliance to be placed on the financial information. In addition, depending on the information presented, you may be subject to some of the reporting requirements summarized in appendix A.

.13 If the financial information is not in the form of historical financial statements, you may describe the degree of reliance your clients should place on that information by including the following:

- A statement that projections usually vary from actual results
- A summary of significant assumptions

.14 The following language may be appropriate:

> Projections of future income, expenditures (including income taxes), net worth, and estate taxes are based on assumptions that are described in the financial plan as well as interpretations of existing laws. Usually, there will be material differences between prospective and actual results because laws change and events and circumstances frequently do not occur as expected.

Facilitate Action on Planning Recommendations

.15 As discussed previously, clearly stating your recommendations helps your clients to take action on those recommendations. You may accomplish this by including in the plan information such as the following:

- Specific steps to be taken to implement recommendations
- A time frame for taking action
- Responsibility for taking action

.16 The following examples illustrate language that may facilitate action

- When the plan incorporates action steps within the recommendations for each planning area:

  > The plan for taking action on our recommendations is included with our recommendations in the enclosed financial plan.

- When an action checklist is included with the plan:

  > The enclosed action plan and checklist summarizes the steps to be taken to act on our planning recommendations, when these steps should be taken, and the parties responsible for taking action.

- When a specific recommendation is made:

  > We have recommended that you update your will and other estate documents to include a credit shelter trust. You should make an appointment to consult with your estate attorney by September 10, 19XX.

Action Tip

Use a checklist to summarize your recommended action plan. This provides your clients with a highly visual, easily understandable approach to implementing your recommendations. This helps ensure client satisfaction with the PFP process.

Communicate the Importance of Periodic Reviews and Updates

.17 Periodic reviews and updates are important to ensure that PFP recommendations are still appropriate and that your clients are making appropriate progress toward achieving their financial goals. You may choose to include in the plan information such as the following:

- Advice that the financial plan should be updated when assumptions, conditions, and laws change.
- A statement indicating that you are not responsible for monitoring your client's progress, or in updating the plan, unless specifically engaged to do so.

.18 The following illustrates language that reinforces the importance of periodic reviews and updates of the plan.

> Usually, there will be material differences between prospective and actual results because laws change and events and circumstances frequently do not occur as expected. We therefore recommend a periodic review of your plans to make sure that you are progressing toward achieving your financial goals. We are not responsible for reviewing or updating this plan unless you ask us to do so.

7. CONCLUSION

.01 As discussed, the format you choose to deliver personal financial planning recommendations does not, as of the date of this publication, follow any standard format. You are free to create your own format, incorporating financial data, graphics, and other visual aids as appropriate. As you prepare written communications of your recommendations, keep the following in mind:

- Your goal is to motivate your clients to take the necessary steps to move closer to achieving their financial goals and objectives.
- There is no perfect plan. The appropriate format is the one that works best for you and your clients, based on your relationship and their circumstances.
- The key is to communicate results that are important and meaningful.

.02 The checklist featured in appendix E, "Sample Checklist for Preparing a Written Personal Financial Plan," and the sample letters and plans included in appendix F, "Sample Client Communications," may be useful in developing a format that suits your needs.

APPENDIX A

SUMMARY OF ESTABLISHED STANDARDS ON HISTORICAL AND PROSPECTIVE PERSONAL FINANCIAL STATEMENTS

Written financial plans may include personal financial statements, supplementary schedules of personal financial information, and prospective financial information, such as projected income and cash flow. If the plan includes personal financial statements, as described below, or prospective financial information, the following professional standards and guidance may be applicable:

- *Personal Financial Statements Guide*
- Statement of Position (SOP) 82-1, *Accounting and Financial Reporting for Personal Financial Statements*
- Statement of Standards for Accounting and Review Services (SSARS) No. 1 through 7
- *Guide for Prospective Financial Information*
- SOP 90-1, *Accountants' Services on Prospective Financial Statements for Internal Use Only and Partial Presentations*

In addition, Statement on Responsibilities in Tax Practice (SRTP) No. 8, *Form and Content of Advice to Clients*, provides guidance when your written communication includes tax advice.

Personal Financial Statements

A personal financial statement is defined in SOP 82-1 as a Statement of Financial Condition. A Statement of Changes in Net Worth and comparative financial statements are optional.

The Statement of Financial Condition is the basic personal financial statement. It presents, as of a specified date, the estimated current values of your client's assets, the estimated current amounts of liabilities, estimated income taxes on the differences between the estimated current values of assets and the estimated current amounts of liabilities and their tax bases, and net worth. The Statement of Changes in Net Worth presents major sources of increases or decreases in net worth for the reporting period.

Personal financial information not in the form of financial statements is not covered by existing reporting standards. Accordingly, if the personal financial information included in your written financial plan does not meet the definition of a personal financial statement, an accountant's report is not necessary. As of the date of this publication, presentations such as the following may not meet the definition of a personal financial statement.

- Graphic financial information
- A summary of cash flows
- A categorized listing of assets and liabilities
- A listing of assets and liabilities not presented in the order of liquidity of assets and maturity of liabilities

SSARS Reporting Requirements. If your written financial plan does contain personal financial statements, the reporting requirements of SSARS No. 1 through 7 are applicable. The specific requirements depend on the intended use of the financial statement. Personal financial statements that do not qualify for the exemption of SSARS No. 6, *Reporting on Personal Financial Statements Included in Written Personal Financial Plans* (AICPA, *Professional Standards*, vol. 2, AR sec. 600), (generally, statements designed for internal use only) are governed by SSARS No. 1, *Compilation and Review of Financial Statements* (AICPA, *Professional Standards*, vol. 2, AR sec. 100), and should conform to generally accepted accounting principles (GAAP) measurement and presentation principles. These principles are set forth in the *Personal Financial Statements Guide* and SOP 82-1.

The *Personal Financial Statements Guide* provides guidance on reporting on personal financial statements that are compiled, reviewed, or audited. SOP 82-1 includes guidance on the following:

- Definition of personal financial statements
- The basis of a presentation of personal financial statements
- Valuation principles
- Required financial statement disclosures

SSARS No. 6 Exemption. SSARS No. 6 provides an exemption from measurement and presentation principles for historical personal financial statements included in a written personal financial plan if the financial information in the statements will not be used or relied upon by third parties. To meet the exemption, the following criteria must be met:

1. You establish an understanding with your client, preferably in writing, that the financial statements—
    - Will be used solely by the client and the client's advisers to develop the client's personal financial plan.
    - Will not be used to obtain credit, or for any purposes other than developing the personal financial plan.

2. Nothing comes to your attention during the course of the engagement that would cause you to believe that the financial statements will be used to obtain credit or for any purposes other than developing the client's personal financial plan.

Interpretation No. 1 of SSARS No. 6 indicates that an investment adviser, insurance agent, or other adviser who is helping the client with implementing the plan would not be a third-party user. Accordingly, virtually all financial plans would be deemed not to have a third-party user. If, however, the financial statements included in the plan will be used to obtain credit (or if other criteria under SSARS No. 6 are not met), then SSARS No. 1 would apply.

Personal financial statements issued under SSARS No. 6 should be accompanied by a report that states that the statements:

1. Are designed solely to help develop the personal financial plan.

2. May be incomplete or contain other departures from GAAP.

3. Should not be used to obtain credit or for any purposes other than to develop the personal financial plan.

4. Have not been audited, reviewed or compiled.

A sample SSARS No. 6 report follows:

> The accompanying Statement of Financial Condition of R. G. Kuch as of December 31, 19XX, was prepared solely to help you develop your personal financial plan. Accordingly, it may be incomplete or contain other departures from generally accepted accounting principles and should not be used to obtain credit or for any other purposes other than developing your financial plan. We have not audited, reviewed, or compiled the statement.

You should include this report language, or a notation such as "See Accountant's Report" on the financial statement page. The SSARS No. 6 exemption applies also to supplementary financial information included in the financial plan.

Prospective Financial Information

Prospective financial information is often an essential component in formulating a financial plan. When your plan includes prospective financial information, you cannot vouch for the certainty of future events. This information is based on the assumptions regarding future events; the assumptions are based on available information and judgment.

Prospective information may be presented as complete financial statements or as statements limited to one or more elements. The AICPA's *Guide for Prospective Financial Information* (Guide) and SOP 90-1 form the basis for applying professional standards to PFP engagements that involve prospective financial information. The Guide provides —

- General information about prospective financial statements, including definitions, kinds of prospective statements, and responsibilities for such statements.
- Optional guidance for preparing and presenting projections and forecasts.
- Guidance for accountant's services on prospective financial statements including the requirements set forth in Statement on Standards for Accountants' Services on Prospective Financial Information, *Financial Forecasts and Projections*.

Prospective Financial Statements. If your financial plan contains prospective information in the form of financial statements, you should consult the appropriate sections of the Guide and SOP 90-1 for reporting and disclosure requirements. If the financial forecast or projection is for internal use only, SOP 90-1, part 1, provides that the communication should include a caveat that the financial forecast or projection is for internal use only and that the prospective results may not be achieved. In addition, a summary of significant assumptions should be included. It is unlikely that prospective information included in a written personal financial plan would meet the requirements to be considered a prospective financial statement. Instead, your projections and forecasts are more likely considered partial presentations.

Partial Presentations of Prospective Financial Information. SOP 90-1, part 2, outlines your responsibility for partial presentations, which are defined as presentations that exclude one or more of the items required for a complete financial statement (summarized in paragraph 8.06 of the Guide).

Example. The following language may be appropriate for a projected Statement of Changes in Net Worth.

> We have compiled the accompanying projected Statement of Changes in Net Worth for (insert client name) for the years ended XXXX, in accordance with standards established by the American Institute of Certified Public Accountants.
>
> The accompanying projection and this report were prepared for the purpose of helping you develop your personal financial plan and should not be used for any other purpose.
>
> A compilation is limited to presenting in the form of a projection information that is your representation and does not include an evaluation of the support for assumptions underlying the projection. We have not examined the projection and, accordingly, do not express an opinion or any other form of assurance on the accompanying statement or assumptions. Furthermore, even if you follow this plan there will usually be differences between the projected and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Tax Advice

When your written recommendations include tax advice, you should consider the applicable provisions of SRTP No. 8, *Form and Content of Advice to Clients*, which advises the use of precautionary language when giving tax advice. Generally, your advice should include a statement that tax advice is based on tax law currently in force that may change in the future. Language such as the following may be appropriate:

> Projections of future income and estate taxes are based on assumptions that are described in the financial plan as well as interpretations of existing tax laws. Usually, there will be material differences between prospective and actual results because laws change and events and circumstances frequently do not occur as expected.

APPENDIX B

SAMPLE TABLES OF CONTENTS

The following tables of contents are presented as examples of ways to organize a written personal financial plan. There is no recommended format for your plans; however, you may wish to use one of the following formats and make appropriate adjustments to adapt the structure to your use.

Issue-Oriented Plan

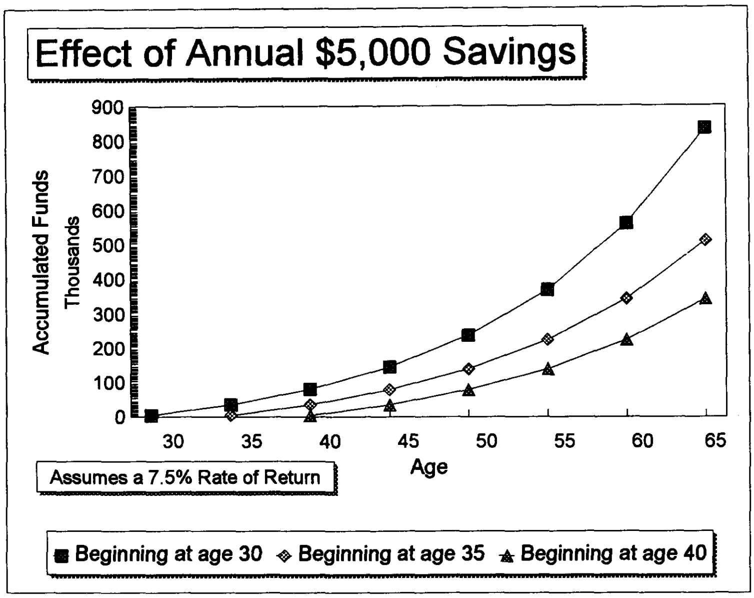
- Introduction and Engagement Limitations
- Summary of Recommendations
- Financial Data — Current and Prospective
- Risk Management
- Investing and Wealth Management
- Retirement Planning
- Investing and Wealth Accumulation
- Retirement Planning
- Estate Planning
- Conclusion
- Appendixes

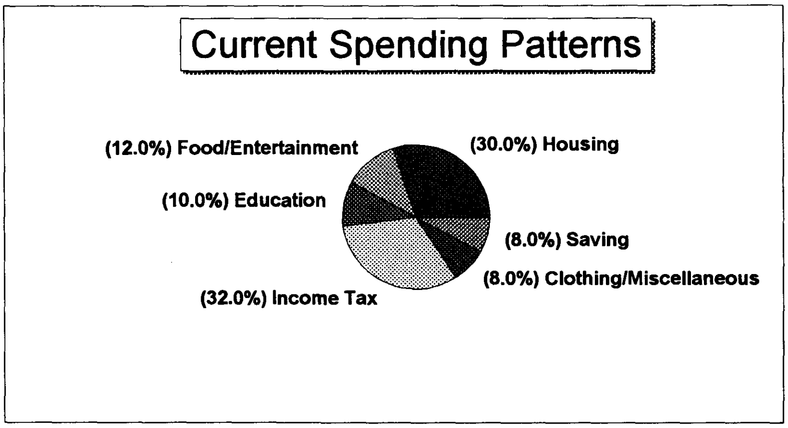
Concept-Oriented Plan

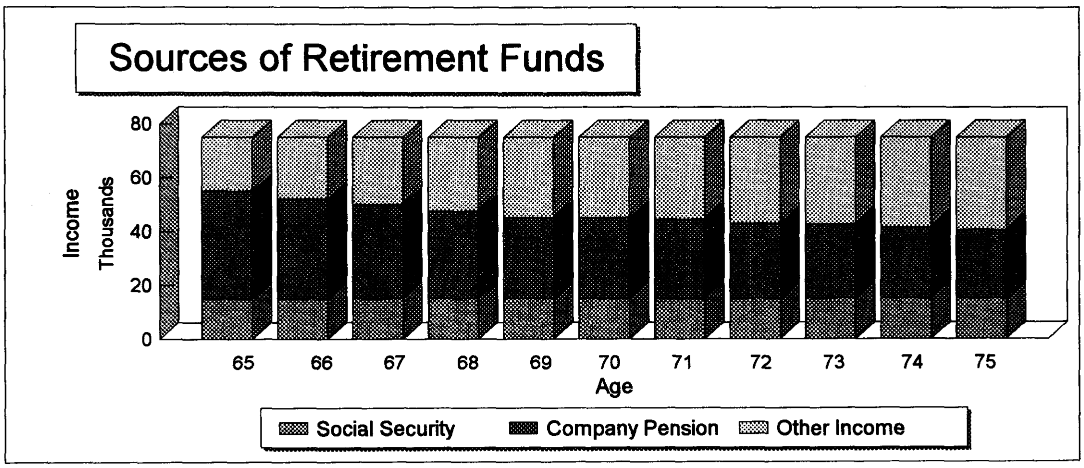
- Introduction and Engagement Limitations
- Current Financial Data
- Goals and Objectives
- Recommendations
- Prospective Financial Data
- Summary and Conclusion
- Appendixes

APPENDIX C

SAMPLE GRAPHIC PRESENTATIONS







This appendix illustrates three examples of graphic presentations that may be appropriate for inclusion in a written personal financial plan.

The line graph (top) depicts a client's projected cumulative savings at age 65, comparing three different starting ages. This particular example dramatically reinforces the need to start a regular savings program at an early age.

The pie chart (center) can be an excellent way to demonstrate to your clients how they currently spend their income. This can be an eye-opening experience and help to identify needed changes in spending habits.

The bar chart (bottom) highlights the declining contribution from social security and company retirement benefits to this client's retirement needs over time. This can help underscore the need for additional retirement savings.

These illustrations are included for illustrative and educational purposes and are not intended as standardized or recommended formats for graphics included in personal financial plans.

APPENDIX D

ACTION PLAN

This appendix contains an illustrative action plan that may accompany a written personal financial plan. The action plan identifies some steps that a client should take to implement financial planning recommendations. This illustration is designed merely to identify one possible format that your action plan or implementation checklist could take. The action steps identified are exemplary only and not appropriate for every client situation. The action plan you develop may contain other information, such as the responsible party for each action (you, your client, or another adviser), the priority of each item, or a place to check each item off as it is completed.

ACTION PLAN

Prepared for ______________________________ **Date** ____________________

Action	Completion Date
Estate Planning	
Send your wills to us for review.	Immediately
Financial Management	
Request that your flexible spending account be expanded to cover the yearly medical insurance premiums and also use the flexible spending for child care.	Immediately
Make an additional monthly principal payment on your mortgage of $78 so that it can be paid off in 25 years.	Start Immediately
Use $4,000 of your cash to pay off your auto loan and your credit card. This will save you approximately 8 percent a year in interest expense.	Immediately
Establish a subaccount through your brokerage account for receipt of the monthly payments of $250 that you would have made on the auto loan and the credit cards.	Immediately
Fine tune your budget in order to start saving for special projects that you have identified for your home.	Immediately
Income Tax Planning	
Review your records in order to determine the correct basis of the home sold. Accumulate all records to determine the total cost of your new home. Prepare Form 2119.	Before our February meeting
Retirement Planning	
Send us the most recent statement for your 401(k) plan and a copy of the plan's investment options.	Immediately

APPENDIX E

SAMPLE CHECKLIST FOR PREPARING A WRITTEN PERSONAL FINANCIAL PLAN

This appendix contains an illustrative checklist for preparing a written personal financial plan. The checklist identifies general items to consider before presenting a written personal financial plan to a client and is not meant to be all-inclusive or to address every conceivable kind of PFP engagement. The actual procedures undertaken in preparing a plan will vary depending on the nature of the engagement, the intended audience, and your personal style.

The checklist is divided into the following two sections:

1. **Content.** Substantive issues about the quality of the work and compliance with AICPA professional standards.

2. **Format.** Logistical and editorial issues, including organization, exhibits and appendixes, and other elements.

You may tailor this checklist to suit the needs of your particular engagements. Use only those questions that are relevant or add items that are appropriate to your practice. For example, you may wish to add a space to initial each item as completed or indicate that it is not applicable.

PERSONAL FINANCIAL PLAN CHECKLIST

Client ____

Prepared by ____ **Date** ____________________

I. *Content*

- ☐ Does the plan refer to the original understanding with the client?

- ☐ Are the following included, as appropriate?
  - ☐ Introduction and background
  - ☐ Client goals and objectives
  - ☐ Engagement scope
  - ☐ Limitations or constraints
  - ☐ Issues and opportunities identified, such as income tax planning, estate planning, investment planning, retirement planning, college education cost planning, and risk management
  - ☐ Relevant financial assumptions, such as a projected rate of inflation, yield on investments, life expectancy, effective tax rate, marginal tax bracket, costs of children's education, age of retirement, and lifestyle
  - ☐ A statement of the client's net worth
  - ☐ A tax projection
  - ☐ A cash flow projection illustrating the impact of your advice on cash flow to assure that adequate cash is available to scheduled obligations
  - ☐ A computation of potential death taxes based on client current estate

- ☐ Does the plan address reasonable alternatives for addressing the client's financial issues, goals and objectives, or specific problems?
  - ☐ Relevant recommendations to issues raised by the client
  - ☐ Identification of techniques and product solutions to financial planning issues
  - ☐ Conclusions and financial planning recommendations addressing each of the client's financial issues, opportunities, and goals
  - ☐ Findings and observations
  - ☐ Conclusions and recommendations
  - ☐ Acknowledgment of client participation and responsibilities of client, planner, and other advisers

- ☐ Where appropriate, does the communication advise the client of critical actions or implementation steps necessary to realize the financial planning objectives?

- ☐ Do the financial planning recommendations conform to the original engagement understandings?

- ☐ Does the plan cite data sources and the degree of accuracy and reliability?

- ☐ Have the recommendations been reviewed with the client before issuing this plan?

- ☐ Were expected benefits for each recommendation developed in response to the clients goals and objectives?
- ☐ Does the report contain sufficient information for the client to evaluate the conclusions and recommendations?
- ☐ Does the plan address the risks associated with carrying out the recommendations?
- ☐ Have the assumptions used to formulate the analysis been adequately documented?
- ☐ Has a draft of the plan been reviewed?
- ☐ Have technical terms been defined or explained?
- ☐ Are relevant positive findings or observations, as well as negative ones, referred to?
- ☐ Is the logic used in selecting the best alternative clearly presented and explained?
- ☐ Are all exhibits relevant to the plan?
- ☐ Does the text of the plan refer to all exhibits?
- ☐ Are the exhibits easy to understand?
- ☐ Does the text of the plan include key information from each exhibit so that the client does not need to continually refer to the exhibits to understand the plan?
- ☐ Are opinions clearly referred to as such?
- ☐ Is it clear that you are making recommendations and not decisions for the client?
- ☐ Have derogatory statements been avoided?
- ☐ Are proper disclaimers used for projections, forecasts, tax advice, and unaudited financial data, report use and distribution?
- ☐ Is the plan an action document for both you and your client to assure that all recommendations are acted upon?
- ☐ Does the plan contain a statement of steps suggesting how the advice is implemented?
- ☐ Does the plan contain a statement indicating which of the client's advisers should be responsible for the implementation?
- ☐ Is there sufficient detail for each issue or objective dealt within the plan?

II. Format

- ☐ Is the plan addressed to the client?
- ☐ Was an outline prepared and reviewed before the report was written?
- ☐ Are client names spelled correctly?
- ☐ Is the plan divided into sections that logically follow one another and that facilitate reading?
- ☐ If there is a separate executive summary, does it precede the body of the plan, or alternatively, is it in a separate cover letter?
- ☐ Is the executive summary short and fully supported by the findings and conclusions in the body of the plan?
- ☐ Are the recommendations clearly communicated, perhaps in the form of a checklist?
- ☐ If the plan is lengthy, does it include a table of contents?
- ☐ Are captions and side headings used liberally to facilitate reading and understanding?
- ☐ Is one system of main heads, subheads, and side heads used consistently throughout the plan?
- ☐ Has the plan been reviewed for misspellings, grammatical errors, and faulty punctuation?
- ☐ Overall, does the plan have a high professional quality, including the following?
  - ☐ Consistent and adequate margins
  - ☐ Centered tables and exhibits
  - ☐ Legible type that reproduces well
  - ☐ Numbered pages
  - ☐ Clean covers

APPENDIX F

SAMPLE CLIENT COMMUNICATIONS

This appendix contains several examples of client correspondence used by practicing CPAs in the delivery of personal financial planning services. These letters and reports are included for illustrative and educational purposes only and are not intended to establish standards or a recommended format for your correspondence.

The following illustrations are included:

- Transmittal Letter — Comprehensive Financial Plan
- Recommendation Letter — Estate Planning
- Recommendation Letter — Asset Allocation and Investment Analysis
- Monitoring Client Progress
- Comprehensive Financial Plan (1)
- Comprehensive Financial Plan (2) (from the AICPA's Certificate of Educational Achievement in the Personal Financial Planning Process program)

TRANSMITTAL LETTER — COMPREHENSIVE FINANCIAL PLAN

[*Date*]

Dear [*Client name*]:

We are pleased to have the opportunity to help you in developing your personal financial plans. The enclosed personal financial plan has been prepared to help you in making decisions about your financial future.

We have considered ways to achieve your goals as listed below:[1]

- Design a cash management plan that provides the maximum opportunity for savings and investment.
- Design a strategy to fund your retirement goals.
- Design a strategy to fund your children's college education.
- Design a plan to minimize your income tax obligations without impairing your ability to achieve other financial goals.
- Design a plan to transfer your estate to your heirs without paying excessive death taxes.
- Design an investment policy that reflects both your accumulation goals and your tolerance for risk.
- Review your insurance coverage to determine whether they are adequate for your circumstances.
- [*List other goals as appropriate.*]

However, you have instructed us not to consider other planning issues that might have an impact on these goals. If we had done so, it is possible that different conclusions or recommendations might have resulted.

We based our recommendations on your goals identified above, your current financial condition as presented in the accompanying Statement of Financial Condition, and projections of future income, expenditures, and net worth. Recommendations regarding insurance and investment alternatives are presented as guidelines and represent our general understanding of the information available to us. Before purchasing an investment product, you should thoroughly investigate the product and offering institution, and seek the guidance of a broker or registered investment adviser. Insurance decisions should be made with the assistance of a licensed insurance professional.

The Statement of Financial Condition as of xxxx, contained in this plan, is intended for use by you and your advisers in developing your financial plans. It should not be shown to anyone else for purposes of obtaining credit or for any other purpose. We have not audited, reviewed, or compiled the accompanying financial statement.

Projections of future income, expenditures (including income taxes), net worth, and estate taxes are based on assumptions that are described in the financial plan as well as interpretations of existing laws.[2] Usually,

---

[1] Alternatively, the correspondence may relate back to an engagement letter or other previous correspondence that describes the engagement objectives.

[2] If the projections of future income, expenditures and net worth are presented in the form of a projected Statement of Changes in Net Worth (as defined in SOP 82-1 paragraph 6 (b)) alternative reporting language would be appropriate. A sample of such language is found after the closing of this letter.

there will be material differences between prospective and actual results because laws change and events and circumstances frequently do not occur as expected. We therefore recommend a periodic review of your plans to make sure that you are progressing towards achieving your financial goals. We are not responsible for reviewing or updating this plan unless you ask us to do so.

You have now completed the first steps in the financial planning process: setting goals and developing strategies to achieve those goals. Your next step is to take action and implement the recommended strategies. We will be happy to assist you in implementation if you choose to engage us.

With careful implementation and monitoring, we are confident that you will find the benefits of the financial planning process to be well worth your investment. If you are pleased with our services, please refer us to others you know who might benefit from financial, estate, retirement, or investment planning. We look forward to serving you in years to come.

Sincerely,

[*Your name*]
[*Your firm*]

Language for Projected Statement of Changes in Net Worth

We have compiled the accompanying projected Statement of Changes in Net Worth for [*Client name*] for the years ended XXXX, in accordance with standards established by the American Institute of Certified Public Accountants.

The accompanying projection and this report were prepared for the purpose of helping you develop your personal financial plan and should not be used for any other purpose.

A compilation is limited to presenting in the form of a projection information that is your representation and does not include an evaluation of the support for assumptions underlying the projection. We have not examined the projection and, accordingly, do not express an opinion or any other form of assurance on the accompanying statement or assumptions. Furthermore, even if you follow this plan there will usually be differences between the projected and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to up date this report for events and circumstances occurring after the date of this report.

RECOMMENDATION LETTER — ESTATE PLANNING

[*Date*]

Dear [*Client name*]:

It was a pleasure meeting with you to discuss your estate planning needs. The focus of our meeting was to evaluate your current estate plan and make recommendations for changes that would better meet your goals. You currently have wills leaving everything to the surviving spouse; most of your assets are in a joint name; and the beneficiary of your life insurance, IRAs and annuity is your spouse. Enclosed is a schedule of what your estate taxes would be under your current estate plan and what the taxes would be using effective estate planning. The estate tax savings could be $200,000 or more, so there is a definite advantage to effective planning.

We understand that you want your assets to be used to support the surviving spouse during his or her lifetime, and then distributed (in unequal shares) to your three children.

The details of your plan are as follows:

1. In order to fully utilize the estate tax savings currently available, you will need to change the ownership of your assets to take advantage of the estate tax credit available to every individual. The ownership change will be implemented along with other changes. A list is attached that provides recommendations of which assets could be changed.

2. [*Spouse 1*] has life insurance with a death benefit of approximately $220,000, naming [*Spouse 2*] as the beneficiary. It is recommended that the beneficiary be changed. We are in the process of calculating the benefits of naming your children, or the trust established under your new will, as the beneficiary. It is our intention to have the life insurance utilize $220,000 of the $600,000 that can pass estate-tax free to your heirs. The remaining amount, $380,000, would be funded from assets that will be in [*Spouse 1*]'s name alone.

3. The assets in [*Spouse 2*]'s name will be greater than $600,000.

4. The home in [*Client's city*] would stay in both your names.

5. You will need to have your wills rewritten. In our meeting we agreed on the following provisions:

   a. Normal language will be included in the will for debts, administration expenses, and taxes.

   b. All personal property will go to the spouse and to the children equally, if there is no surviving spouse.

   c. Each will should state that all of your children are loved equally but there is a desire to provide more for [*Child's name*] since he has special needs.

   d. A trust will be created, through each will, to equal the amount that can be passed estate-tax free utilizing the available amount of the unified credit — currently equal to an estate of $600,000. The spouse will be the income beneficiary of the trust and can receive principal at an independent trustee's discretion. Upon the death of the spouse, each heir will receive a share outright according to your wishes as detailed in your wills.

e. The remainder of each of your estates will pass to the surviving spouse qualifying for the unlimited marital deduction. After the death of both of you, your children or their heirs will inherit the remainder outright in unequal shares, according to your wills.

f. The spouse will be named as the Personal Representative with *XXXXX* as successor Personal Representative.

g. The spouse and *XXXXX* will be named as cotrustees of the trust established through each will. *YYYYY* will be named as a successor to *XXXXX* if he should be unable to serve. The independent trustee, for purposes of principal distributions, will be *XXXXX* or *YYYYY* if she becomes the cotrustee.

There are some issues that need to be addressed. We discussed your wishes if there were no named heirs to inherit. You need to decide to whom you want your assets distributed. We did not discuss the necessity for a power of attorney, but in the event that one of you should become incapacitated, someone should be named to act for you. A Durable Power of Attorney is generally used. In most cases, it names the spouse as the holder of the power. That person has the right to make any financial decision for you so long as there are no restrictions in the power. This is not a decision to take lightly, since the holder steps into your shoes and acts without restrictions.

You should also consider a living will. In the event that you should become totally incapacitated, do you want to be kept alive through artificial means? State laws differ, so we must review the specifics of [*Client's state*] law. We can discuss this more fully after you have had a chance to read our recommendations.

In conjunction with the living will, many states have what is called a Health Care Power of Attorney. This gives the person named the power to make health care decisions for you, such as authorizing an operation or a specific medical treatment. This addresses your care, not a life or death decision.

Your lawyer will draft a will under [*Client's state*] law. If you should move to and establish residency in another state, at that time a new will should be executed because each state has different laws. We will address that when it happens.

One way to handle many estate planning issues, as well as the issues surrounding incapacity, is to consider establishing and funding a revocable living trust. The person (grantor) establishing the trust would be a trustee, as well as the beneficiary, so that all the income and principal will be available to that person. Because the Trust Agreement is revocable, the grantor will be treated as the owner of the trust for income tax purposes. Accordingly, the grantor will continue to report all items of trust income, deductions, and credits as if the grantor had received or paid them directly. The trust will be ignored for income tax purposes. If you should become incapacitated, the assets in the trust would not be subject to the holder of your Durable Power of Attorney, since they would be managed by the trustee. Under this trust arrangement, if a grantor or trustee should become incapacitated, a successor trustee is named to succeed the grantor or trustee. The trust is also beneficial if you should continue to have real property in more than one state. By putting the out-of-state property in the trust, you will be able to avoid probate proceedings in the state where the property is located. The trust would continue after your death, and can be very useful in reducing the time and potentially the cost of your estate settlement.

Once you have had a chance to review our recommendations, we will discuss more fully what has been described, answer any questions you have, and make the appropriate changes to complete your estate plan. I will be calling you within two weeks, but if you should have any questions, please do not hesitate to call me.

Sincerely yours,

[*Your name*]
[*Your firm*]

RECOMMENDATION LETTER — ASSET ALLOCATION AND INVESTMENT ANALYSIS

[*Date*]

Dear [*Client name*]:

You asked that we advise you regarding the appropriate allocation of your investment portfolio. After reviewing your existing investments in light of your goals and investment preferences, we can advise you as follows.

Your Net Worth Statement as of xxxx indicates that you have reasonable diversification among asset types and between liquid and illiquid assets. As is typical of couples your age, your largest single asset is your residence, valued at $495,000. With total liabilities of $190,000 against assets worth $1.1 million, you have a net worth which represents an impressive 83 percent of your total asset base.

The next step is to look at the investable portion of your assets and determine whether they are appropriately allocated. Both your preferred asset mix, which was derived from your responses to our investment preferences questionnaire, and your current investable asset mix are shown on page x. As the allocations are relatively close and quite reasonable, your assets do not require much restructuring.

Investment Preferences

In response to our risk versus return questions, you stated that you want your investments to include the following characteristics (in this order):

John	Jane
1. Safety of principal	1. Future income or appreciation
2. Liquidity	2. Risky, but high income potential
3. Current income	3. Current income
4. Low risk and fixed income	4. Tax reduction
5. Future income or appreciation	5. Liquidity
6. Risky, but high income potential	6. Safety of principal
7. Tax reduction	7. Low risk and fixed income

As evidenced by his responses above, John does not consider himself to be a financial risk taker. Jane, on the other hand, states that although she does not "want to lose money," she is willing to "take some careful risks."

You should both "definitely" invest in money market accounts and mutual funds. John feels comfortable with savings accounts and U.S. Government bonds while Jane prefers real estate. You would both "perhaps" buy corporate and municipal bonds and common stocks.

Cash

Cash investments are highly liquid, virtually risk-free instruments providing current income. Examples include savings and money market accounts, Treasury bills, certificates of deposit and Treasury notes and Bonds with maturities of one year or less. Yields are typically or somewhat above inflation.

A standard rule of thumb is that individuals should maintain a cash balance equaling from three to six months of their expenses. In your case, that translates into an "emergency reserve" fund of $25,000 to $50,000. With just under $25,000 in cash balances, we suggest that you increase your emergency funding to about $31,000, in keeping with your 20 percent target.

Fixed Income

Fixed income securities typically offer high current income with reasonable safety of principal. Unlike cash investments, the principal value of these investments may fluctuate. Examples include corporate bonds, municipal bonds, and longer term Treasury notes and bonds and certificates of deposit.

Bringing your fixed income total to your desired 25 percent would require an increase of only $4,063. Given your high personal income tax rate, the best place to put bond investments would be your retirement accounts. You can do that by adding a balanced fund (made up of stocks and bonds) to your IRA or 403(b) choices. Given today's competitive interest rates, it's a good time to renew your maturing CDs or seek more attractive rates elsewhere.

Equities

Equities emphasize long-term appreciation. Current income can range from none to a modest amount, and liquidity depends upon the specific type of instrument. The value of the invested capital will fluctuate over time. Common stocks, convertible securities, and real estate are among the most common equity investments.

Equities currently make up 59 percent of your investable assets, but your PASS responses indicate that you would prefer 50 percent. That seems reasonable, particularly in light of how volatile some of your fund choices are. Additionally, your retirement goals are based on an earnings rate of 6.5 percent, which does not require a large stock allocation.

Generally speaking, you have selected very good mutual funds. *XXXXXXXXX* and *YYYYYYYYY* are the only ones which probably should be replaced. But you need to review the *Morningstar* pages for other problems — funds with the same investment style, similar sector weightings and overlaps in individual holdings.

Recommendations regarding investment alternatives are presented as guidelines and represent our general understanding of the information available to us. Before purchasing an investment product, you should thoroughly investigate the product and offering institution, and seek the guidance of a broker or registered investment adviser.

Thank you for the opportunity to work with you on balancing your investment portfolio. We would be happy to assist you with additional investment or other financial planning concerns as they arise. If you have any questions, please call me at [*Your telephone number*].

Sincerely,

[*Your name*]
[*Your firm*]

MONITORING CLIENT PROGRESS

Personal and Confidential

[*Date*]

Dear [*Client name*]:

This letter will summarize our services for you until this point, including our recommendations to you, the action you have taken and what assistance we will be providing you in the future.

Your Situation

When we first met with you in June of this year, you asked us to assist you by making recommendations regarding your financial affairs. Specifically, you asked us to review your current financial situation, which recently has changed considerably, due to a $600,000 cash inheritance received from your aunt's estate. Your objectives were and are to —

1. Make sure your estate planning affairs are in order, to assure the following:

   a. The disposition of your estate to your children and grandchildren in accordance with your wishes

   b. The ability to manage your financial affairs with a minimum of problems in the event you became unwilling or unable to do so

   c. The eventual passing on of your estate to your beneficiaries with minimal diminution due to estate taxes

2. Manage your investable assets to assure preservation of principal and a conservative level of income. You desire a reasonable amount of available cash to allow you to assist your children and grandchildren with their financial needs.

We also discussed various other matters with you and arrived at the following facts and conclusions.

1. Your current retirement income, consisting of your social security income and state pension, are adequate for your day-to-day living expenses. You have no need for a regular income stream from your investable assets, although you desire having cash available for occasional travel, periodic assistance to your children, and any other extraordinary needs.

2. You feel your current insurance needs are adequately met and you do not desire any additional life insurance, any long-term care insurance, additional health insurance, or additional property or casualty insurance.

3. You are interested in sharing your wealth with your children now rather than waiting until your death. To this end, you are in the process of purchasing a dwelling in ____________ which will be used by ____________________ and which will eventually pass to her, and a

dwelling in ____________________ which will be used by ____________________ and which will eventually pass to him.

4. In general, you desire to treat your children equally during your lifetime and at your death, although you are not concerned that a strict accounting be made for your lifetime assistance. Your intent is to assist whomever of your children and grandchildren are in need without a specific accounting.

5. You are particularly concerned about ____________________ health situation and are ready to assist her and her children as necessary. You are especially concerned that no part of your assets fall into the hands of her former spouse.

6. You want to be involved in your investment decisions on an oversight basis.

Recommendations and Action Taken

1. We recommended that you contact an attorney to assist you with general legal advice and to redraft your estate documents, which include a new will and a living trust. After substantial communication between you, your attorney, and us, you executed these documents on August 22, 19X1. We assisted you in the review of the signed documents, and we agreed with you that their various provisions comported with your estate planning goals and objectives.

2. We assisted you in sorting out your various investment alternatives and in helping you decide a general asset allocation strategy. These included the cash purchase of the dwellings in __________________ and _______________. Your remaining assets are to be split as follows:

Cash	$ 16,500
Securities investments	130,000
	$146,500

3. We recommended that you contact a registered investment adviser to provide investment advisory services. Your investment adviser has recommended a mixture of money market, U.S. Government bonds, and mutual fund investments. We held a meeting with her and after substantial discussion, you decided to follow her recommendations. She will assist you with ongoing investment monitoring services and will make suggestions as necessary.

4. You are in process of changing titles on your various assets to shift ownership to your living trust. ____________________ will assist you with this as needed.

Future Assistance

We will continue to assist you with your financial services as you may request from time to time. Current matters with which we are assisting you include income tax planning; income tax preparation; coordination with your other advisers to assist you in keeping your estate plan, including gift planning, updated; and the monitoring of your investment program.

* * * * *

It has been a pleasure assisting you in monitoring your progress on the road to financial security. We look forward to a very long and satisfactory relationship.

Please let us know if we can be of further service.

Very truly yours,

[*Your name*]
[*Your firm*]

COMPREHENSIVE FINANCIAL PLAN (1)

[*Date*]

Dear [*Client name*]:

The purpose of this plan is to see where your finances are today and to provide a general road map to meet your financial goals.

Your financial plan includes information regarding your income tax situation, business entity planning, ranch issues, the sale of the building on ______________, investments in regards to tax-deferral, and estate planning issues. Following are the results and recommendations in the above mentioned areas.

Income Tax and Business Entities

C Corporation versus S Corporation

Changing the taxable entity of Company & Company from a C to an S Corporation should be considered. We recommend that you convert to an S Corporation because of the high potential income tax liability upon sale of the business. If you decide to make the S election, this needs to be done by March 17, 19XX to be effective for xxxx.

Legally, you will still operate as a corporation for liability purposes, but for income tax purposes, the S Corporation will file its own tax return and report the income and expenses on a Form K-1 to Mrs. Client, who will still be 100 percent owner of the company. The income and expenses of the S Corporation (as shown on the Form K-1) will then be reported on your individual tax return (Form 1040).

Converting to an S Corporation will avoid the "double taxation" problem of the regular corporation, if you don't sell your stock until ten years after conversion. Mrs. Client indicated that she would like to work full time for another eight years and part time after that. It is very possible that you will not sell the business for ten years.

Another advantage to the S Corporation is the flexibility in making distributions. Salary can be paid, with corresponding payroll taxes, or distributions can be made that are not taxable currently. Of course, if you reduce your compensation, this will affect the amount that can be contributed to the profit sharing plan.

Currently, all of Mr. Client's salary from the corporation is subject to FICA tax whereas Mrs. Client's salary is above the maximum limit. As long as Mrs. Client's salary does not exceed the $150,000 amount that can be considered for profit sharing contributions, consider not paying Mr. Client a salary and increasing Mrs. Client's salary. However, you may want Mr. Client to be an employee for other reasons such as being eligible for IRA contributions and disability insurance. He can be covered as a spouse for medical insurance.

The disadvantage to converting to an S Corporation is that the medical expenses will no longer be deductible and this will cost you about $2,000 in additional taxes annually. However, you could possibly save over $120,000 in taxes on the sale of the business by converting to an S Corporation. See the following scenario:

	C Corporation	S Corporation
Sales price	$ 500,000	$ 500,000
Basis of assets in corporation	0	
Taxable gain to corporation	$ 500,000	
Tax at 34%	$ 170,000	
Remaining cash distributed to Mrs. Client as sale of her stock ($500,000-170,000)	$ 330,000	$ 500,000
Basis of stock	15,000	15,000
Gain on sale of stock	$ 315,000	$ 485,000
Tax at 28% capital gain rate on individual return	$ 88,200	$ 135,800
Total tax paid on sale	$ 258,200	$ 135,800
Total after tax proceeds	$ 241,800	$ 364,200

Office building

We recommend that you form a Limited Liability Company (LLC) and contribute the office building and related debt into this company. The LLC would provide tort liability protection. Currently, this building is held personally.

The LLC would file its own tax return and the income and expenses reported on the K-1s would be reported on your individual tax return (Form 1040).

Another advantage to forming an LLC is the flexibility in transferring interests as a future estate planning strategy. Additional assets could also be contributed to the LLC down the road making the gifting of assets easier.

The remodeling costs incurred personally add to the cost of the building. The total cost of the building net of the debt would be considered a capital contribution to the LLC. The LLC would then pay all expenses, collect all rent, and pay the debt on the building.

Ranch issues

Currently, there is no tax advantage to placing the ranch operation in another taxable entity. However, if liability is a prime issue, we suggest placing the ranch in an LLC. This would be a separate LLC from the office building entity to prevent all of the assets from being accessible in case of a lawsuit. The LLC would offer protection from someone getting hurt on your property. You are carrying workman's compensation to cover your employees in case of injury.

Since you intend to operate the ranch at a profit, this intention should be documented in writing. If you continue to have losses shown on Schedule F of your Form 1040, it is possible the IRS could question the ranch as being a "hobby." An activity is presumed not to be a hobby if profits result in any three out of five consecutive years. However, just because you do not have profits, the IRS will not assume a hobby if you can document your intent.

Sale of building

The information you provided indicated that your tax basis in this building is $45,000. If you sell the building for $60,000, this would result in a $15,000 capital gain at a maximum of 28 percent tax, or $4,200. This amount of tax probably does not warrant considering a tax-free exchange.

Investments and Tax Deferral

Currently, only about 7 to 8 percent of your investment assets are in tax advantaged investments or tax deferred retirement accounts. With your high income, we recommend you consider contributing more to your profit sharing plan and IRAs annually.

One of your objectives is to develop a cash reserve. After you have built up an adequate reserve, consider additional contributions to your retirement plans.

Tax deferred investments will help you accumulate the necessary portfolio much faster than taxable investments. If you were to pay 36 percent of the investment income earned annually in taxes instead of leaving this amount to grow and compound, you will have to save much more to meet your goals. There are some disadvantages, however, with tax deferred investments. You will pay a 10 percent penalty if you withdraw monies from a tax deferred account before age 59½. Therefore, you need to have sufficient funds in taxable or nontax deferred accounts for cash reserves, your children's college expenses, etc.

Also, when money is withdrawn from tax deferred accounts, all income is taxed at the ordinary income tax rates. The ordinary income tax rate may be higher than the maximum capital gains tax rate of 28 percent. Even though the income may be attributable to capital gains, it will be taxed as ordinary income. For this reason, the benefits of tax deferral may take a long time to achieve.

Even though there are some restrictions to be aware of, tax deferral is a good idea. There are only two ways to acquire more funds to save and invest — increasing your income or decreasing your spending. Increasing your earned income may or may not be desirable or possible and increasing your investment return may mean taking higher risks than are warranted. One of the best ways to decrease your spending is to save on taxes.

Tax-free municipal bonds also decrease your tax liability and should be considered for a portion of your portfolio. The rate of return on tax-free bonds is less than taxable bonds so you need to look at the after-tax return you will receive. In your case, if you purchased a taxable bond that paid 6.5 percent, you would net the same as purchasing a tax-free bond that pays 4.16 percent.

Also, almost any investment can be held in tax deferred accounts, but generally you want to keep investments with a high rate of return in these accounts to maximize the benefits of deferral. I don't usually recommend that you purchase tax-free bonds or annuities inside retirement plans because these investments already offer tax advantages.

For tax deferral, you should first maximize your retirement plan contributions. Then both contribute as much to IRAs as possible. The maximum annual IRA contribution allowed is the lesser of $2,000 or your earned income. These contributions will not be deductible, under current tax law, but of course the income earned will be tax deferred. Next, consider annuities. An annuity is a tax deferred investment contract issued by an insurance company, which provides income at retirement. The principal is guaranteed upon death and your beneficiaries are guaranteed to receive the account value of the annuity or the original deposit, whichever is greater. There are certain costs associated with annuities, which may include surrender charges and other expenses and fees. For tax free income, also consider municipal bonds. These investments are issued by state and local governments and agencies and are exempt from federal taxes and, in some cases, from state and local taxes. However, the alternative minimum tax may apply.

Estate Planning Issues

Revocable trusts

You indicated an interest in establishing living trusts to avoid probate and provide privacy of your estates. Additionally, by splitting the ownership of your assets equally, and using the provisions of bypass trusts, you can save almost $200,000 in estate taxes.

Using bypass trusts will protect up to $1.2 million of your assets from estate taxes. This is accomplished by placing an amount of assets (currently $600,000) in a trust, upon the death of the first spouse. The surviving spouse gets the income from the trust for his or her life. Upon the death of the second spouse, these assets are left to other heirs, most likely your children. Since the assets are not left to the surviving spouse, they do not increase the surviving spouse's estate, therefore saving estate tax.

The trust provisions can spell out the terms necessary for your children as your wills now do. Also, you can name the subsequent trustees of your choice.

Some other key documents to have for protection are general and medical powers of attorney and living wills.

Life insurance policies

Your estate is estimated at greater than $1.2 million, without including life insurance proceeds. The owner of the life insurance policies will have to include the death benefits in their taxable estate. Therefore, I recommend that you consider placing your policies in irrevocable life insurance trusts. This would prevent the life insurance proceeds from increasing your taxable estates.

The trust would be the owner of the policies and upon death would receive the proceeds. The proceeds could then be used to purchase assets from your estate and provide liquidity to pay estate taxes or be distributed outright to the beneficiaries if the estate does not need the cash.

The beneficiaries of the irrevocable trust would be your children or anyone you choose. Basically, the amount of cash surrender value in the policies at the time of transfer is considered a gift to the beneficiaries of the trust. You will need to consider the $10,000 annual gifting rules for this transfer.

Recommendations regarding insurance alternatives are presented as guidelines and present our general understanding of the information available to us. You should make your insurance decisions with the assistance of a licensed insurance professional.

Limited Liability Company

If you decide to place the office building and/or ranch in an LLC, this will provide an excellent vehicle for future gifting. Advantages of using a partnership or LLC is that you, as parents, can maintain control and management of the assets in the entity, but gift away interests to keep the value out of your estates.

Although, the gifting probably is not necessary or advisable currently, this will provide you with flexibility for the future as your estate grows.

Thank you for giving us the opportunity to work with you on your financial plan. Please call if you have any questions.

Sincerely,

[*Your name*]
[*Your firm*]

CURRENT ASSET ANALYSIS

Prepared for:________________________ Prepared by:________________________

Symbol or Description			*UTS SHS*	*Market Price*	*General*	*401(k) IRA Mrs.*	*401(k) IRA Mr.*	*Pension*	*Market Value*
Cash									
IRA Cash Acct.	4	H	1	1,410			1,410		1,410
Cash on Hand/Bank	1	J	1	41,920	41,920				41,920
Total Cash					$ 41,920	$ 0	$ 1,410	$ 0	$ 43,330
Fixed									
PS Govt. Bond	3	W	1	13,560		13,560			13,560
PS Guar. Inter	4	H	1	3,590			3,590		3,590
Total Fixed					$ 0	$ 13,560	$ 3,590	$ 0	$ 17,150
Equity Domestic									
S-Corp. Stock	1	W	1	500,000	500,000				500,000
PS TOT RET FD	3	W	1	14,180		14,180			14,180
PS VIP Growth FD	3	W	1	19,800		19,800			19,800
IRA Stocks	4	H	1	10,550			10,550		10,550
IRA Growth FD	3	W	1	8,410		8,410			8,410
PS 20 Century	4	H	1	3,500			3,500		3,500
PS FID VIP Growth	4	H	1	5,085			5,085		5,085
Total Equity/Domestic					$ 500,000	$ 42,390	$ 19,135	$ 0	$ 561,525
Equity /Foreign									44.0%
Total Equity/Foreign					$ 0	$ 0	$ 0	$ 0	$ 0
Tangible									
Ranch Land	1	J	1	118,500	118,500				118,500
Ranch Equipment	1	J	1	80,685	80,685				80,685
Cattle, Net of Loan	1	J	1	30,000	30,000				30,000
Office Bldg. David, Net	1	J	1	70,000	70,000				70,000
Office Bldg.	1	J	1	54,500	54,500				54,500
House w/2 acres	1	J	1	161,350	161,350				161,350
Vehicles	1	J	1	37,600	37,600				37,600
Personal Prop.	1	J	1	102,000	102,000				102,000
Total Tangible					$ 654,635	$ 0	$ 0	$ 0	$ 654,635
									51.3%
Totals					$1,196,55	$ 55,950	$ 24,135	$ 0	$1,276,640
Percent					93.7%	4.4%	1.9%	0.0%	100.0%

CURRENT ASSET ANALYSIS

Prepared for:____________________ Prepared by:____________________

Ownership:

	Mrs.		Mr.		Joint		Total	
Cash	0.0%	$ 0	0.1%	$ 1,410	3.3%	$ 41,920	3.4%	$ 43,330
Fixed	1.1%	$ 13,560	0.3%	$ 3,590	0.0%	$ 0	1.3%	$ 17,150
Equity/Domestic	42.5%	$ 542,390	1.5%	$ 19,135	0.0%	$ 0	44.0%	$ 561,525
Equity/Foreign	0.0%	$ 0	0.0%	$ 0	0.0%	$ 0	0.0%	$ 0
Tangible	0.0%	$ 0	0.0%	$ 0	51.3%	$ 654,635	51.3%	$ 654,635
Total	44%	$ 555,950	2%	$ 24,135	55%	$ 696,555	100%	$ 1,276,640

COMPREHENSIVE FINANCIAL PLAN (2)

March 31, 1995

Long and Olive Green
777 Lombardi Drive
Green Bay, WI 54301

Dear Long and Olive:

You have retained the services of this firm to prepare this review of your financial security, investments, and tax planning to determine:

1. How effectively your present financial resources and insurance protection assure your financial independence regardless of circumstances that may be beyond your control.

2. The suitability of your current investment program, given your personal investment preferences and the income you desire at retirement, and

3. How you might effectively reduce your exposure to both income and estate taxes.

The financial planning report that we have compiled benefits you in the following areas:

1. The report assembles in one place all key information regarding your finances, personal data, and goals.

2. The report presents a realistic picture of the current situation.

3. The report is a plan that will help you achieve your goals.

4. We estimate that as a result of the implementation of this plan, you will effect income tax savings, estate tax savings, and increase your cash flow.

A copy of this report should be filed in a place where you keep your other important documents. You might also wish to furnish a copy of this report to your attorney, investment advisor and insurance counselor.

We are pleased to have the opportunity to assist you in developing your financial plans for the future. Before we begin to explain the data, alternatives and recommendations, we would like to bring to your attention certain limitations associated with this information.

Because this review considers the future as well as the current situation, estimates of investment performance, inflation rates and retirement benefits from Social Security and qualified plans have been used in analysis. The conclusions should thus be viewed as broad guidelines for structuring your personal financial plan. Changes in tax law, Social Security benefits, the investment environment, your personal circumstances, and similar unforeseeable events could modify the accuracy of current projections and the appropriateness of the tax planning and investment recommendations contained herein. Therefore, we recommend a periodic review to help attain your goals and objectives.

Sincerely,

P.F.Planner,CPA/PFS

PFP

DIAGNOSTIC FINANCIAL PLANNING REPORT

Prepared for:

Long and Olive Green

Prepared by:

P.F.Planner,CPA/PFS

Planner & Doer

March 31, 1995

Long and Olive Green
DIAGNOSTIC PERSONAL FINANCIAL PLAN
March 31, 1995

This is your diagnostic financial report, subject to the terms of our engagement letter.

Goals and Objectives

You have enunciated the following goals and objectives:

1.To maintain purchasing power.
2.To provide financial assistance for grandchildrens' education
3.To increase net worth by 50% over next five years.
4.To reduce estate taxes.

Financial Data

Exhibit III of this report is a Statement of Net Worth showing your assets and liabilities valued at fair market value. The estimates as to fair market value have been provided by you, and we presume that such estimates are reasonable considering the purposes for which they are being used. You have also provided us with information of how title in the various assets is arranged. We suggest that you scrutinize this statement carefully to insure that the information has been recorded properly. The manner in which the title to the property is held is extremely important in developing your personal financial plan.

Analysis of the Statement of Net Worth indicates that you have a net worth of $2,606,930.It should be noted that your holdings of GHI stock comprise 62% of your net worth.

Your net worth of $2,606,930 places you in an excellent financial position to achieve your stated goals and objectives.We note that your goal to increase your net worth is counter productive to your goal to reduce estate taxes.

Insurance Needs Analysis

We have analyzed the insurance needs on Long's and Olive's life and have concluded that in order to maintain your present standard of living for the survivor no additional life insurance coverage is needed.

However to fund the liquidity needs for estate taxes upon the survivor's death it would be necessary to liquidate the company or all the other assets of the estate.Therefore in the estate planning section we comment on the advisabilty of establishing a method of utilizing a trust or family limited partnership to own the policies on Long's life.We also mention the use of additional insurance in the form of a last to die policy to pay estate taxes.

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We have discussed with you the advantage of having an umbrella policy for a minimum amount of $2,000,000. This policy can be obtained at a reasonable cost from the company that carries your home owners and your automobile liability coverage.

You did not apply for a medigap policy within six months of qualifying for medicare.Therefore an application now would be subject to underwriting qualification.As an alternative to medigap insurance we recommend you consider installing a cafeteria benefit plan at GHI.This would enable you to pay for your medical expenses with pre-tax dollars.

The decision to keep or redeem the permanent life insurance will not impact your financial position in any substantial way. We do urge you to change the ownership of the policies to either Olive or a life insurance trust.

Your corporation should retain an independent consultant to conduct a risk management audit to determine if there are any areas which need your attention.One of these areas is the key man insurance that GHI has in force.After you make your decisions regarding our estate planning recommendations there will be a need to reassess the role of this policy in your financial plan.

Developing an Investment Strategy

Studies have shown that the safest way in which to diversify among types of investments (i.e. common stocks, bonds, real estate, money market funds) is to invest in each type in equal or near equal amounts. When looking at diversification of an investment portfolio, you must consider all of your investments, including those investments that are in sheltered retirement plans.

We recommend that you begin an investment program utilizing a portion of your discretionary income.We have assumed an annual investment of $50,000 for this purpose.You should balance your asset allocation among several types of investments so as to minimize the various types of risk which are an inherent part of any investment.

Attached as an exhibit to this report is our recommended portfolio allocation.For the choice of specific investments we suggest hiring an investment advisor who is independent and objective. We can give you a list of Chartered Financial Analysts with whom we have worked in the past.

Retirement Planning

Long has indicated no desire to retire. We have made computations assuming that he may effectively retire in 5 years.Other assumptions include maximum social security benefits at age 70 and deferred compensation from GHI of $50,000 per year.Our computations indicate an excess of assets needed to fund your retirement.

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Our retirement calculations have been predicated on the following assumptions with which you have agreed:

1. Estimated after-tax return of 5%.

2. Estimated inflation rate of 4%.

This calculation also provides for an increasing annuity payment after retirement to compensate for continued inflation. One of the key factors to consider is that our calculation has been predicated on a minimal annuity take-down from investments after retirement. This means that a substantial amount of your capital would be preserved to pass along to your heirs. It also provides a cushion of safety for you if any of the basic assumptions as to rate of return and rate of inflation prove to be substantially incorrect. It should be noted at this time that these calculations should be recomputed at least every five years based upon current conditions.

We recommend setting up a non-qualified deferred compensation agreement which would pay Long $50,000 per year beginning 5 years after execution of the agreement.

Estate Planning

You do have wills but they are no longer adequate for your current situation.We recommend that new wills be prepared by an attorney who specializes in this field.

Preparation of a will is necessary for the following reasons:

1. To be sure of who gets what.

2. To provide your beneficiaries with protection and guidance.

3. To avoid needless delays, confusion,and cost.

4. To minimize the tax that will be paid on your estate.

You have indicated that in your estate planning you wish to provide for each other and also for your children and possibly for certain grandchildren.Because of the way your property is currently held and due to the contractual arrangements for property passing outside of the will, you will have "wasted" the unified credit equivalency of $600,000.

Our planning recommendations are as follows:

Transfer of GHI stock.The objectives of the transfer are:

1.To assure Long's control of GHI.
2.To assure that Hunter is Long's successor.
3.To reduce Long and Olive's estate tax.

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In order to accomplish these objectives the following steps are recommended:

1.Recapitalize GHI to provide 1,000 shares of voting common which Long will retain and 99,000 shares of non-voting common which will be used for a gift program.After the recap the stock will be held as follows:

	voting	non-voting
Long	850	84,150
Olive	100	9,900
Hunter	50	4,950

2.Secure an independent appraisal of GHI stock.

3.Long will give Olive 37,100 shares of non-voting stock to equalize their holdings.

4.Long and Olive will give 39,500 non-voting shares each in separate trusts for Hunt and Jade.An appraised per share value of $ 14.45 represents an additional 15% discount from the appraisal of $17/sh.This discount is for minority interest and lack of voting rights.NOTE! The actual distribution of the shares will be approximately 2/3 to Hunt and 1/3 to Jade.

5.Long and Olive make outright gifts of 690 shares each (a total of 1,380 to each individual) to Hunt,Jade and 7 grandchildren.

6.Set up grantor trust to hold 1,000 shares of voting stock.Long will be the trustee and Hunt the successor trustee.Hunt and Jade will be beneficiaries after Long's death.This trust can also provide that Hunt share disproportionately in the trust due to his management of the business.(i.e. he could receive 2 shares to Jade's one share).

7.File gift tax returns and pay small gift tax.(This will get the statute running).Allocate a portion of the GST exemption to Hunt' s and Jade's trusts.

8.In January of following year Long and Olive will give the remainder of their shares of non-voting stock to Hunt and Jade.

9.Do a house GRIT on the Green Bay residence.This will produce a taxable gift of $48,205.See Schedule.

After the above transfers the stock ownership is as follows:

	voting	non-voting
Long	850*	
Olive	100*	
Hunt's Trust		53,000
Jade's Trust		26,000
Hunt	50*	7,645
Jade		2,695
Grandchildren		9,660

* Indicates shares held in trust

Discussion Draft 05/19/95

Your discretionary income if invested will continue to increase you estate.Therefore we recommend an ongoing gift program in the years ahead.

We also recommend that you execute living wills and durable powers of attorney. We have given you a booklet prepared by the American Bar Association outlining, in general terms, the purpose of each one of these documents.

You have expressed concern over your grandson Forest.An elder law attorney should be consulted to explore the use of a medicaid trust to provide for Forest.

ESTATE TAXES

You will have estates which are subject to estate tax. Florida and Wisconsin do not have an estate tax,being satisfied to accept the credit allowed by the federal estate tax statutes.We recommend that some tax be paid on the first death rather than utilize the 100% marital deduction.The details of this decision have been discused with you in our conferences. Various schedules illustrating the concepts have been furnished to you and are not part of this report.

Without any estate planning at the second death the estate taxes will require the liquidation of all of your assets except the GHI stock to pay estate taxes.The planning strategy recommended in this report reduces the estate tax by approximately two thirds.If you wish to pass your estate on to your heirs intact then you will have to consider some form of life insurance. This insurance should be owned by an irrevocable life insurance trust or family limited partnership.If you decide to obtain insurance, we recommend getting quotes on a last to die policy.

ORANGE BLOSSOM's CARE

You have expressed concern about Orange Blossom's long term health care.A transfer of her assets does not seem to be practicable due to the 36 month look-back provisions.Her liquid assets will not pay for custodial care for that length of time.Wisconsin is a medically needy state for determining medicaid eligibilty.The resource allowance is $2,000 and the income limit is $515 per month.Orange's residence will be deemed an eligible asset if she is institutionalized without a physician's letter attesting that she will return to the residence.The state will mandate sale of the residence.If the house does not sell, a lien will be filed.OBRA 1993 has gone a long way to effectvely eliminate all of the loop-holes in the medicaid statutes.

We recommend the following action:

1.Keep her at home as long as possible.

2.Utilize her liquid assets to pay for medical care until they are exhausted.

3.If she is institutionalized, sell the house and use these funds to pay for medical expenses.

4.When her assets have been spent apply for medicaid.

5.Consult with an elder law attorney re: the above items and to detemine if she has capacity to execute a will,living will,and durable powers of attorney for general purpose and health care.

Educational Funding

We have made computations regarding the possible costs of educating your grandchildren. These costs could amount to $425,000 for private colleges and $149,000 for state schools.Schedules showing the computations used to arrive at these amounts are attached.

The method of actually funding the grandchildren's education can be one of several methods:

1. A direct transfer to the children using Series EE Bonds or other investments.

2. A custodial arrangement using a bank account or security account under the Uniform Gifts to Minors Act.

3. Establishment of a trust wherein the children would be the beneficiaries of the principal and income of the trust upon reaching a certain age. A 2503(c) trust allows the trustee to retain control of the assets until age 21 and may actually be extended under certain conditions.

4. Set aside a fund within your own investment portfolio designated for use in partially funding or completely funding their education. Any sums which are transferred to the children or transferred in trust wherein they are the ultimate beneficiaries may be subject to Gift Tax.

In computing the amounts necessary for their education we made certain critical assumptions:

1. That they will begin college at age 18.

2. That they will spend 4.0 years in college.

3. The annual inflation rate of college expenses between now and the end of their education will be 7.00 percent.

4. We estimated that the rate of return on funds invested for their education will be 6.00 percent after tax.

Income Tax Recommendations

The majority of your income is taxed as ordinary income, which means that those dollars of income that are over and above your salary will also be taxed at your marginal rate of 36 percent. Thus every attempt to defer or create tax exempt income results in a substantial reduction of income tax.

Selection of tax exempt bonds will not only implement our recommended investment strategy but also produce tax benefits.

You will want to consider opportunities to tie in charitable giving with your tax planning.We have discussed with you the use of charitable remainder trusts.Lifetime charitable giving results in income tax savings and estate tax savings.In view of Olive's donative intent this may fit in nicely with your planning.

By becoming a Florida resident you may avoid some of the Wisconsin income tax.As a Wisconsin non-resident you should only have to pay tax on income earned while in Wisconsin.Florida has no individual income tax but there is an intangible tax. If you follow our estate planning recommendations this should not pose a substantial tax burden.

Summary

Your stated goals indicated that you were primarily concerned with maintaining your current standard of living,provide for your children and grandchildren,and increase your net worth by 50% over the next five years.We have shown in this report that all of these are attainabble. However,because of the estate tax you may wish to reduce you estate rather than increase it.Our recommendation will enable Long to keep control of GHI ,provide for your continued income,enable Hunt to succeed Long at the appropriate time and also provide for Jade.

The implementation of the financial plan will require diligence and discipline.We stand ready to assist you in this process.

The action check list on the next page provides a road map to assist you in the implementation of this plan.

Report: CLSC8a 05/19/95 13:25:26 - 8 -

Long and Olive Green	Planner & Doer
ACTION CHECKLIST	As of 03/31/95

		Date to be Completed:
Educational Planning Section		
1.	Consider value of a 2503(c) trust.	When wills are prepared
Estate Planning Section		
1.	Execute new wills, living wills, durable powers of attorney etc.	ASAP
2.	Begin a gift program per recommendations in our report.	ASAP
3.	Retitle assets to equalize each estate.	After wills are executed
4.	Recapitalize GHI stock	ASAP
5.	Establish a GRIT for Wisconsin residence	When wills are prepared.But before end of this year.
6.	Consult with elder care attorney re:medicaid trust for Forest.	This year
7.	If life insurance is utilized to provide for estate taxes, use an irrevocable life insurance trust or family limited partnership to own the policy.	After decision is made to purchase life insurance
Investments Section		
1.	Implement investment strategy per recommendations in our report.	As CD's mature
2.	Select an investment manager who is independent and objective.	Within next 60 days.
Retirement Planning Section		
1.	Execute a non-qualified deferred compensation plan with GHI for $50,000	ASAP
Risk Management Section		
1.	Purchase umbrella policy in amount of $2,000,000.	ASAP
2.	Review deductibles on property and casualty insurance.	ASAP
3.	Investigate cafeteria plan for GHI	Before end of corporate year.
4.	Engage a consultant to review risk management of GHI	ASAP
5.	Review role of key man insurance in your financial plan	After estate plan is finished.
6.	Consider need for life insurance to provide liquidity for estate taxes.	ASAP
Income Tax Section		
1.	Look for tax exempt investments	As you implement investment strategy

Exhibit 1

Long and Olive Green	Planner & Doer
ACTION CHECKLIST	As of 03/31/95

	Date to be Completed:
2. Consider Florida residence	Next three months
3. Consider charitable remainder trust pursuant to recommendations in our report.	Before end of this tax year.

Exhibit 1

Report: CLIN0a 05/19/95 13:25:34 - 10 -

Long and Olive Green — Planner & Doer

CLIENT PROFILE SUMMARY — As of 05/19/95

Name:	Long and Olive Green		
Address Line 1:	777 Lombardi Drive		
Address Line 2:			
City/State / Zip Code:	Green Bay,	WI	54301
Country:	USA		
Home Telephone Number:	414/235-6789		
Work Telephone Number:	414/532-9876		
Client's Name:	Long Green		
Place of Birth / Date of Birth:	Green Bay, WI.		06/19/27
Citizenship:	USA		
Spouse's Name:	Olive Green		
Place of Birth / Date of Birth:	Green Bay, WI.		05/19/28
Citizenship:	USA		
Place Married / Year Married:	Green Bay, WI		1946

Children:

Hunter;Green Bay,WI.DOB 08/16/49. M
Jade Green Brown;Green Bay WI.10/04/53
M.
For details re: Grandchildren see attached chart.

Community property states:

NONE

Exhibit 2

SCHEDULE OF NET WORTH

12/31/94

Long and Olive Green - 11 -

FMV used for GHI Stock

WHAT YOU OWN:	Client Amount	Spouse Amount	Joint Amount	Current Amount
Liquid Assets				
Cash (Checking, savings accts)	0	0	43,710	43,710
Treasury Bills	22,480	0	0	22,480
Savings Certificates	0	0	505,480	505,480
Cash Value of Life Insurance	23,120	0	0	23,120
Total: Liquid Assets	45,600	0	549,190	594,790
Investment Assets				
Marketable Securities: Stocks	82,140	0	0	82,140
Greenhouses,Inc 95000 Shs.	1,445,000	170,000	0	1,615,000
Total: Investment Assets	1,527,140	170,000	0	1,697,140
Personal Assets				
Residence	0	0	110,000	110,000
Residence-Sarasota,Fl	140,000	0	0	140,000
Vacation Home	25,000	0	0	25,000
Furniture,Antiques,Personalty	0	0	40,000	40,000
Total: Personal Assets	165,000	0	150,000	315,000
Total Assets	1,737,740	170,000	699,190	2,606,930
Net Worth	1,737,740	170,000	699,190	2,606,930

This Schedule of Net Worth, as of 12/31/94 , was prepared from information you provided to assist you in developing your financial plan. Accordingly, it should not be used for any other purpose.

Planner & Doer

Exhibit 3

Report: FINW1a 05/19/95 13:25:51 - 12 -

Long and Olive Green — Planner & Doer

NET WORTH PROJECTION SUMMARY — As of 05/19/95

Note decrease in estate due to gifts.

WHAT YOU OWN:	Growth Factor	Growth Amount	Current Amount	1996	1997	2000	2005
Liquid Assets							
Cash (Checking, savings accts)	3.0	0	43710	45021	46372	50672	58743
Treasury Bills	3.0	0	22480	23154	23849	26060	30210
Savings Certificates	6.0	0	505480	535809	567958	676446	905237
Cash Value of Life Insurance	3.0	0	23120	23814	24528	26803	31072
Total: Liquid Assets			594790	627798	662707	779981	1025262
Investment Assets							
Marketable Securities: Stocks	8.0	25000	82140	115711	151968	279088	568470
Greenhouses,Inc 95000 Shs.	10.0	0	1615000	17750	19542	26010	41889
Marketable Securities: Bonds	5.0	25000	0	26250	53813	145049	330170
Total: Investment Assets			1697140	159711	225323	450147	940529
Personal Assets							
Residence	3.0	0	110000	113300	116699	127520	0
Residence-Sarasota,Fl	3.0	0	140000	144200	148526	162298	188147
Vacation Home	3.0	0	25000	25750	26523	28983	33599
Furniture,Antiques,Personalty	0.0	0	40000	40000	40000	40000	40000
Total: Personal Assets			315000	323250	331748	358801	261746
Total Assets			2606930	1110759	1219778	1588929	2227537
Net Worth			2606930	1110759	1219778	1588929	2227537

This net worth projection summary is based on information you provided using the corresponding growth factor as of 12/31/94 . It is designed to assist you in developing your personal financial plan and should not be considered to be a presentation of expected future results. Accordingly, it should not be used for any other purpose. Even if the stated growth factors were attained, there will usually be differences between projected and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Exhibit 4

Report: FIBU2a 05/19/95 13:25:57 - 13 -

Long and Olive Green — Planner & Doer

BUDGET INFORMATION SUMMARY — As of 05/19/95

Item	Monthly Budget	Yearly Budget
Employment Income		
Salary	12,500	150,000
Total: Employment Income	12,500	150,000
Other Income		
Dividends and Interest	3,792	45,500
Total: Other Income	3,792	45,500
Income Taxes		
Income Taxes	4,833	58,000
Social Security	458	5,500
Total: Income Taxes	5,291	63,500
Committed Expenditures		
Utilities and Telephone	500	6,000
Real Estate Taxes	417	5,000
Property & Liability Insurance	623	7,475
Total: Committed Expenditures	1,540	18,475
Somewhat Discretionary		
Food, Groceries, etc.	400	4,800
Clothing and Cleaning	217	2,600
Transportation	125	1,500
Medical/Dental Expenses	250	3,000
Housing Supplies/Maintenance	417	5,000
Life Insurance	200	2,400
Other Expenses	833	10,000
Total: Somewhat Discretionary	2,442	29,300
Very Discretionary		
Vacations, Travel, etc.	600	7,200
Recreational/Entertainment	400	4,800
Contributions, Gifts	700	8,400
Household Furnishings	100	1,200
Total: Very Discretionary Expenditure	1,800	21,600
Total expenses	11,073	132,875
Available for Savings/Investment	5,219	62,625

Exhibit 5

Report: RMNA1a 05/19/95 13:26:04 - 14 -

Long and Olive Green | Planner & Doer

LIFE INSURANCE NEEDS ANALYSIS | As of 05/19/95

Estate taxes may cause sale of GHI

	Client	Spouse
Current Cash Needs		
Final Expenses	$ 10,000	$ 0
Emergency Funds	0	0
Mortgage Funds	0	0
Notes & Loans Payable	0	0
Taxes Payable	890,000	0
Education Expenses (NPV)	105,407	105,407
Other	0	0
Capital Needs		
Lifetime Monthly Income	$ 0	$ 0
Age of survivor at time of death	0	0
Survivor years of life	0.0	0.0
Interest rate	8.00%	8.00%
Adjustment Period Monthly Income	0	0
Adjustment Period (Years)	0	0
Capital Assets		
Life Insurance	$ 100,000	$ 0
Cash, Savings, etc.	65,000	0
Investment Assets	600,000	0
Social Security	0	0
Pension Benefits	0	0
Other Capital Assets	275,000	0
Summary:		
Total Cash Needs	$ 1,005,407	$ 105,407
Amount Required for Lifetime Income	0	0
Amount Required for Monthly Income	0	0
Total Capital Needs	0	0
Total Needs	1,005,407	105,407
Total Capital Assets	1,040,000	0
Deficit	$ -34,593	$ 105,407

Exhibit 6

Report: IVPF1a 05/19/95 13:26:09 - 15 -

Long and Olive Green — Planner & Doer

INVESTMENT PORTFOLIO — As of 05/19/95

Description	Cash	Fixed Income	Equities	Total
Present Portfolio	66,000	505,500	82,100	653,600
Note!GHI stock not included.	0	0	0	0
Total portfolio	66,000	505,500	82,100	653,600
	10.1%	77.3%	12.6%	100.0%

Recommended Portfolio:

Equities		50%
Aggressive Growth Funds	0%	
Growth Funds	30%	
Growth-Income Funds	10%	
Small Company Growth Funds	0%	
International Funds	10%	
REITS	0%	
Fixed Income		50%
Money Market	5%	
Intermediate Bonds	45%	
International Bonds	0%	

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Exhibit 7

Long and Olive Green — Planner & Doer

RETIREMENT PLANNING WORKSHEET — As of 05/19/95

Anticipates Long's retirement in 5 yrs.

1. Compute Future Value of Retirement Income Required:

Rate of Inflation		4.00
Years to Retirement		5
Current Estimate of Retirement Income (Today's Dollars)		80,000
Less Guaranteed Payments, if they commence at time of retirement and are indexed:		
Social Security	0	
Pension	0	
Other	0	
Net Income Needed		80,000
Represents the future value of annual retirement income goal as of the year of retirement.		97,332

2. Present Value of Amount needed at Date of Retirement:

Future value of annual retirement income	97,332
Return on Investment Minus Rate of Inflation	4.00
Life Expectancy From Date of Retirement	8
The total dollar amount needed to fund retirement over life expectancy.	655,312

3. Amount needed to contribute annually to fund amount needed at retirement:

Total dollar amount needed to fund retirement over life expectancy					655,312
Less: Future value of current investments:					
587,600	**in**	5	**years at**	5.00%	(749,943)
66,000	**in**	5	**years at**	5.00%	(84,235)
0	**in**	5	**years at**	6.00%	(0)
Less: Present value of future payments, if payments commence after date of retirement, or payments are not indexed:					
Social security					(138,000)
Pensions					(287,000)
Other					(0)
Total resources					1,259,178
Shortage (Overage) amount needed less resources available					-603,866
Annual Contribution Required To Cover Shortfall					-109,285

Exhibit 8

Report: REAL1a 05/19/95 13:26:18 - 17 -

Long and Olive Green — Planner & Doer

ASSET LIFE SCHEDULE — As of 05/19/95

Desired income from investments	97,332
Income producing assets	1,259,178
Assumed return on investments	8.00
Assumed inflation rate	4.00

Year	Age	Inflation Adjusted Income	Value of Assets	Return from Assets	Use of Capital	Assets at End of Year
1	74	97,332	1,259,178	100,734	-3,402	1,262,580
2	75	101,225	1,262,580	101,006	219	1,262,361
3	76	105,274	1,262,361	100,989	4,285	1,258,076
4	77	109,485	1,258,076	100,646	8,839	1,249,237
5	78	113,864	1,249,237	99,939	13,925	1,235,312
6	79	118,419	1,235,312	98,825	19,594	1,215,718
7	80	123,156	1,215,718	97,257	25,899	1,189,819
8	81	128,082	1,189,819	95,186	32,896	1,156,923
9	82	133,205	1,156,923	92,554	40,651	1,116,272
10	83	138,533	1,116,272	89,302	49,231	1,067,041
11	84	144,074	1,067,041	85,363	58,711	1,008,330
12	85	149,837	1,008,330	80,666	69,171	939,159
13	86	155,830	939,159	75,133	80,697	858,462
14	87	162,063	858,462	68,677	93,386	765,076
15	88	168,546	765,076	61,206	107,340	657,736
16	89	175,288	657,736	52,619	122,669	535,067
17	90	182,300	535,067	42,805	139,495	395,572
18	91	189,592	395,572	31,646	157,946	237,626
19	92	197,176	237,626	19,010	178,166	59,460
20	93	205,063	59,460	4,757	200,306	0

Exhibit 9

Report: EDCC1a 05/19/95 13:26:23 - 18 -

Long and Olive Green — Planner & Doer

COLLEGE COST ESTIMATION — As of 05/19/95

Student name College	Kelly State	Buster State	Heather State	
Current annual cost Education inflation rate Yrs til 1st yr of college Years of college	7,000 7.00 12.0 4.0	7,000 7.00 2.0 4.0	7,000 7.00 5.0 4.0	
Current savings After-tax return Scholarships, loans, etc.				
Projected college cost Future value of savings Additional funds required	69,997 69,997	35,583 35,583	43,591 43,591	
Single pmnt to fund Annual contribution Monthly contribution	38,977 4,188 359	32,275 16,531 1,410	34,155 7,513 642	

Student name College				
Current annual cost Education inflation rate Yrs til 1st yr of college Years of college				
Current savings After-tax return Scholarships, loans, etc.				
Projected college cost Future value of savings Additional funds required				
Single pmnt to fund Annual contribution Monthly contribution				

Exhibit 10

August 12, 19XX

Long and Olive Green
777 Lombardi Drive
Green Bay, WI 54301

Dear Long and Olive:

Attached to this letter is a copy of the action checklist which was included with your personal financial plan. I would like to know how you are doing with the implementation of the plan. In the space provided would you kindly indicate what has happened and the dates and return this to me.

I have also included a client evaluation sheet. I would appreciate getting some feedback from you as to how we did in helping you with your personal financial plan.

A stamped self-addressed envelope is included for your convenience.

With best wishes and kindest regards.

Sincerely,

P.F. Planner, CPA/PFS

PFS

Report:	CLSC8	05/18/95	15:58:18	Page 1

Long and Olive Green — Planner & Doer

ACTION CHECKLIST — As of 05/18/95

Action Item	Date to be Completed:
Consider value of a 2503(c) trust.	When wills are prepared
	Date:
Action Taken:	
Execute new wills, living wills, durable powers of attorney etc.	ASAP
	Date:
Action Taken:	
Begin a gift program per recommendations in our report.	ASAP
	Date:
Action Taken:	
Retitle assets to equalize each estate.	After wills are executed
	Date:
Action Taken:	
Recapitalize GHI stock	ASAP
	Date:
Action Taken:	
Establish a GRIT for Wisconsin residence	When wills are prepared.But before end of this year.
	Date:
Action Taken:	
Consult with elder care attorney re:medicaid trust for Forest.	This year
	Date:
Action Taken:	

Report: CLSC8 05/18/95 15:58:22 Page 2

Long and Olive Green — Planner & Doer

ACTION CHECKLIST — As of 05/18/95

Action Item	Date to be Completed:
If life insurance is utilized to provide for estate taxes, use an irrevocable life insurance trust or family limited partnership to own the policy.	After decision is made to purchase life insurance **Date:**
Action Taken:	
Implement investment strategy per recommendations in our report.	As CD's mature **Date:**
Action Taken:	
Select an investment manager who is independent and objective.	Within next 60 days. **Date:**
Action Taken:	
Execute a non-qualified deferred compensation plan with GHI for $50,000	ASAP **Date:**
Action Taken:	
Purchase umbrella policy in amount of $2,000,000.	ASAP **Date:**
Action Taken:	
Review deductibles on property and casualty insurance.	ASAP **Date:**
Action Taken:	
Investigate cafeteria plan for GHI	Before end of corporate year. **Date:**
Action Taken:	

Report: CLSC8 05/18/95 15:58:23 Page 3

Long and Olive Green	Planner & Doer
ACTION CHECKLIST	As of 05/18/95

Action Item	Date to be Completed:
Engage a consultant to review risk management of GHI	ASAP
	Date:
Action Taken:	
Review role of key man insurance in your financial plan	After estate plan is finished.
	Date:
Action Taken:	
Consider need for life insurance to provide liquidity for estate taxes.	ASAP
	Date:
Action Taken:	
Look for tax exempt investments	As you implement investment strategy
	Date:
Action Taken:	
Consider Florida residence	Next three months
	Date:
Action Taken:	
Consider charitable remainder trust pursuant to recommendations in our report.	Before end of this tax year.
	Date:
Action Taken:	

Client Evaluation Sheet
PERSONAL FINANCIAL PLANNING SERVICES

We would like your help! By carefully evaluating our services, you will give us the feedback we need to better serve you.

The rating scale is 5-1, with 5 indicating high satisfaction and 1 indicating dissatisfaction. Please circle the rating which you feel best reflects your view of our service.

1. Degree of comfort in working with the planner.	5	4	3	2	1
2. Success in helping you set goals and objectives.	5	4	3	2	1
3. Communication skills of the planner.	5	4	3	2	1
4. The written report:					
a) clarity of expression	5	4	3	2	1
b) value as a road map	5	4	3	2	1
5. Promptness of service	5	4	3	2	1
6. Assistance in implementation	5	4	3	2	1
7. Overall value of service	5	4	3	2	1
8. Do you feel the fee was fair?	YES				NO
9. Will you obtain future benefit from this experience?	YES				NO
10. Will you recommend us and this service to your friends?	YES				NO

11. Other Comments: ______________________________

____

____

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PERSONAL FINANCIAL PLANNING PRODUCTS AND SERVICES

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Guide to Risk Management and Insurance Planning	017112
Guide to Planning for Divorce	017205
Guide to Registering as an Investment Adviser	017206
Guide to Communicating the Results of Personal Financial Planning Engagements	017218
Client Booklets	
Settling an Estate: Understanding Probate and Estate Administration	009152
Accumulating Wealth: An Investing Primer	009153
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Savings Guide (slide rule calculator)	890557
Financial Planning in a Complex World (slide presentation with script)	015203

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Audit Program Generator2		016297
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	Volume 2	016827
	Volume 3	016829

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PERSONAL FINANCIAL PLANNING

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You may also fax your request to 800-362-5066 or mail your request to AICPA Order Department, P.O. Box 2209, Jersey City, NJ 07303-2209.

READER'S RESPONSES TO *GUIDE TO COMMUNICATING THE RESULTS OF PERSONAL FINANCIAL PLANNING ENGAGEMENTS*

Your assessment of this practice aid will help ensure that future personal financial planning publications will be valuable to practitioners. Please photocopy this questionnaire and complete and mail it to **AICPA Personal Financial Planning, 1211 Avenue of the Americas, New York, NY 10036-8775.** Thank you for your assistance.

---

1. How familiar were you with this subject before you read this practice aid?

0	1	2	3	4	5
Unfamiliar			Somewhat familiar		My area of expertise

2. How useful is the practice aid to your practice?

0	1	2	3	4	5
Not useful at all			Somewhat useful		Extremely useful

3. Is there additional information that you think should have been included or information that should be modified in this practice aid? Yes ____ No ____

If yes, please explain

____

____

4. Do you think that an advanced level practice aid on this subject should be available?

Yes ____ No ____

5. What other subjects would you like to see covered in PFP practice aids?

____

____

6. Are you a PFP Section member? Yes ____ No ____

7. If not, how did you learn about the availability of this practice aid?

____

8. Additional comments and suggestions:

____

____

9. Name and address (optional for information on PFP Section membership and benefits):

____

____

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017218