

CHAPTER EIGHT



Using Analytics in Today's Planning Model

The most efficient way to present the data to a client is to use a picture format that tells the spreadsheet's story.

Effective planning can only be achieved when you have all of the information to work with. We often see planners use an out-of-date fact-finding process, or they simply gather just enough information to sell a specific product or service. The most efficient planning of any type is most effective when we gather the last 10% of your information. In other words, to achieve the best result, we need

the most amount of information to work with. This typically results in probing so deeply that we get the last critical data that is typically overlooked.

From the planner's perspective, it is key that we use the most efficient data-gathering tool(s). Once we have those, the most efficient way to present the data to a client is to use a picture format that tells the spreadsheet's story. To do all of this, we regularly scour the market for heavily targeted software that helps to integrate everything.

From the client's perspective, we need to find a way to show the answers in a visual format. Based on the need, we may need to build a visual presentation in a step-by-step format using Flow Charts. Additionally, the efficient use of a checklist is critical to understanding and implementing for success.

Highly efficient financial planning achieves its objectives only when you use the right tools to build a clear roadmap designed to achieve those financial goals. We prefer to begin doing analytics within your tax environment, and that's where our unique approach comes in. We provide a clean and easy-to-read tax plan that we review with you, and which can be done for any year's tax return. By using technically savvy Asset Maps, Flow Charts, and Checklists, we enable you to navigate com-

plex financial planning questions. This type of service is simply too time-consuming for most accountants and attorneys. Financial Planners guide CPAs and attorneys to help them uncover ways and methods to ideally protect and grow your assets.

The Asset Map (GAPS – Global Asset Positioning System)

If you had the opportunity to see a bird's eye view of your full financial picture, you'd be in an ideal position to make the most informed decision regarding your financial goals. Asset Maps provide intuitive diagram-like illustrations to help you visualize and understand your finances. Based on your goals and what the Asset Map reveals, we can make key decisions together, take appropriate action, resolve problems, and ultimately plan better pathways for your future. Because we can review your Asset Map at every interaction, we can assist clients in the ongoing evolution of their financial goals.

Flow Charts and Checklists are tools for clients. Tax returns are for the advisor.

The Flow Chart helps you visualize the path that is being proposed, while the Checklist shows the steps necessary

to get there. For virtually any topic in financial services, we can build either a flow chart or a checklist from an automated system. These can be produced within seconds and can address virtually any goal we wish to accomplish. Using this tool for education can be a financial lifesaver.

The days of complicated, often arcane investment meetings are a thing of the past. By using Flow Charts and Checklists you can easily understand the investment opportunities, through the use of visual images, on virtually any financially related matter.

Flow Charts

One of the analytics tools we employ is the Flow Chart.

This will visually show you any number of opportunities to determine the best available direction, in any given circumstance. If a significant backdoor Roth contribution is an ideal approach, we can show you what that means using a Flow Chart that goes from point A to point B to point C, all the way down to point Z. It's something clients find very valuable and easy to follow.

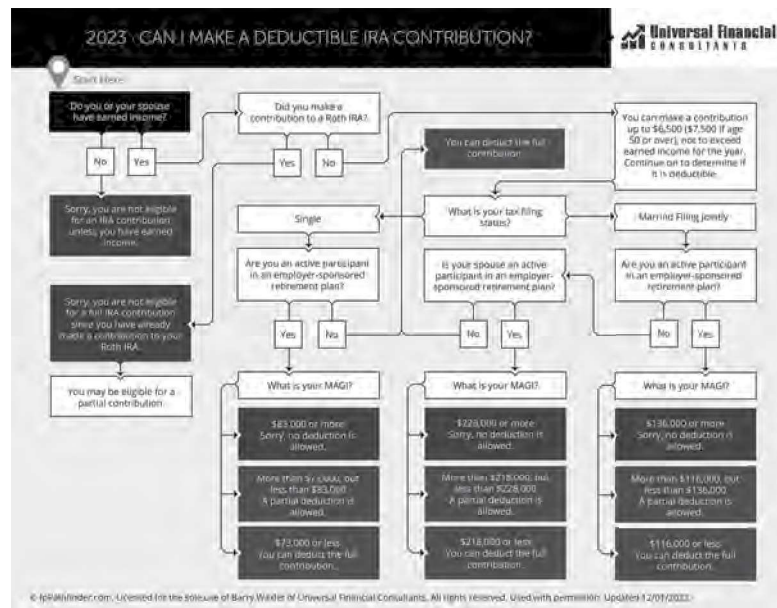
Flow Charts help you understand planning options and are one of the best ways to see how to get from point A to point B and beyond.

Checklists


The Checklist is a unique tool for summarizing financial planning issues.

Checklists help you to uncover probing questions you may have and gives you confidence that you've covered the most essential points. In this way, they serve as a guide to help us understand everything we need to do from start to finish. Checklists are a reference tool that keeps us on top of the rules and/or guidelines, ensuring that important planning opportunities are not missed.

Here is a sample flow chart and what they are used for:



Here is a sample checklist available for planning or just to check if you are eligible for certain programs.

2023 - WHAT ISSUES SHOULD I CONSIDER IF MY SPOUSE PASSED AWAY? 

CASH FLOW ISSUES	YES	NO
Will your cash flow needs change? If so, consider developing a new income and expense plan.	<input type="checkbox"/>	<input type="checkbox"/>
Do you need to review your eligibility for Social Security benefits? If so, consider the following: <ul style="list-style-type: none"> You may be eligible for survivor benefits. Reference "Am I Eligible For Social Security Benefits As A Surviving Spouse?" booklet. If you are receiving a government pension based on earnings that were never subjected to Social Security taxes, you may be subject to a Government Pension Offset. 	<input type="checkbox"/>	<input type="checkbox"/>
Did your spouse reach their Required Beginning Date, or were they taking an RMD from an inherited IRA at the time of their death? If so, the beneficiary(ies) must satisfy any remaining RMD amount on behalf of your spouse before the end of the year.	<input type="checkbox"/>	<input type="checkbox"/>
Was your spouse receiving a pension? If so, payments may stop or be adjusted for survivor benefits.	<input type="checkbox"/>	<input type="checkbox"/>

ESTATE SETTLEMENT ISSUES	YES	NO
Did your spouse appoint you executor under their Will? If so, contact an attorney to assist with probate proceedings (if necessary).	<input type="checkbox"/>	<input type="checkbox"/>
Did your spouse pass away without a Will? If so, you or a family member will likely need to be appointed executor and the estate will be subject to the state's intestate rules.	<input type="checkbox"/>	<input type="checkbox"/>
Do you have more assets than you need to maintain your lifestyle? If so, and acceptable contingent beneficiaries have been named, you may wish to disclaim these assets to shift them to other beneficiaries. This must be done within nine months of the date of death.	<input type="checkbox"/>	<input type="checkbox"/>
Do any accounts or other assets require ownership to be updated? (continue on next section)	<input type="checkbox"/>	<input type="checkbox"/>

ESTATE SETTLEMENT ISSUES (CONTINUED)	YES	NO
Will your spouse's estate exceed their remaining federal estate and gift tax exclusion amount (\$12.56 million, if no lifetime uses), or will your combined estates exceed your remaining combined exclusion amounts (\$25.84 million, if no lifetime uses)? If so, consider the following: <ul style="list-style-type: none"> You may have a federal estate tax liability due. Remember, proceeds from a life insurance policy owned by the deceased and values of retirement accounts are included in the gross estate. To manage variability of unused exemption, you must file Form 706. Normally, Form 706 is due nine months from the date of death (with a six-month extension available). However, if Form 706 is filed only to elect portability, it is due within five years of the date of death. 	<input type="checkbox"/>	<input type="checkbox"/>
If there is an estate tax liability, was the total value of the estate on the date of death greater than the value at six months after the date of death? If so, you may elect on Form 706 to use the alternate valuation date to reduce estate taxes, valuing all assets as of six months after the date of death (unless paid within that period).	<input type="checkbox"/>	<input type="checkbox"/>
Could there be property and assets not yet identified? If so, consider the following: <ul style="list-style-type: none"> Consider looking at the "points" feature on credit cards and "miles" with airlines to see if they are transferable. Check for safe deposit boxes but be sure to follow probate jurisdiction opening. Search your agencies and unclaimed property sites that are run by many state treasurers. 	<input type="checkbox"/>	<input type="checkbox"/>
Do you need to update your own estate plan?	<input type="checkbox"/>	<input type="checkbox"/>
Are there digital assets that should be preserved?	<input type="checkbox"/>	<input type="checkbox"/>

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Chapter in Review

The most efficient way to gather data and present results to a client is to use a visual format that tells the complete story.

1. Overlooked Critical Data

To achieve the very best financial results we need the most comprehensive information to work with. We probe so deeply that we get the critical data that is typically overlooked.

2. Unique Financial Tools

To navigate complex financial planning questions, and grow your assets, we use highly savvy Asset Maps, Flow Charts, and Checklists. This type of unique service is just too time-consuming for most accountants and attorneys.

3. Easy to Use Reports

By analyzing your returns, we can create a report that presents a set of recommendations. Those rec-

ommendations become easy to understand through the use of Flow Charts and Checklists.

4. Solution Driven Results

When we identify a financial weakness in the Asset Map that can use improvement, we can take the proposed solution and run it through a Flow Chart or a Checklist to ensure it is identified and properly managed.