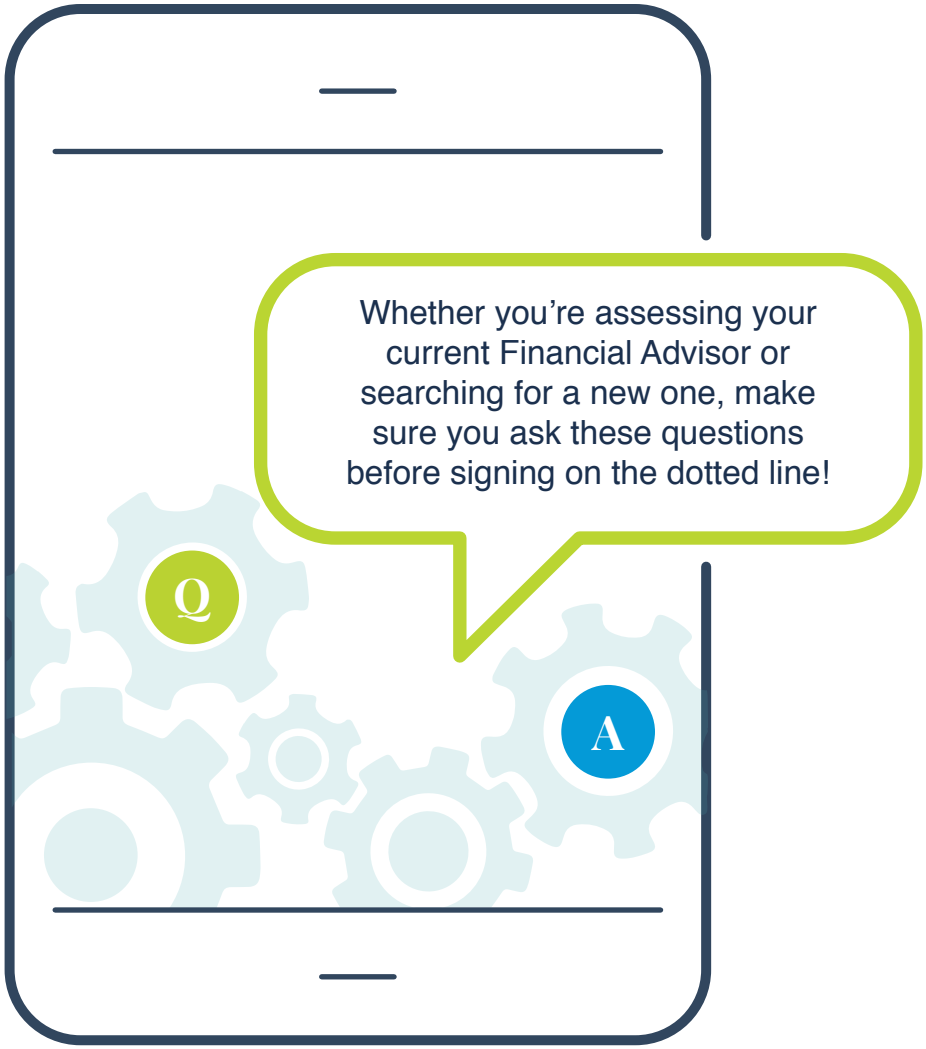
monument
wealth management

What to Ask When Choosing a Financial Advisor



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Q What services do you offer?

Make sure you understand the services offered from the beginning of your relationship and take advantage of all features that are applicable to you. Some firms offer a variety of services, and some just offer investment management. We strongly suggest you make sure the firm you work with includes comprehensive Financial Planning, and that they either cover other specialty topics you need help with or refer you to experts. An investment portfolio constructed outside the context of a comprehensive plan is like getting a prescription from a doctor who has not diagnosed any specific medical problem.

A *Monument's Answer*

At Monument, our Team offers Private Wealth Design: A collaborative, creative, customized approach to turning a wealth of ideas, resources and investments into a blueprint that represents the life you want to live. It's a living blueprint and action plan that evolves and adapts over the years to your shifting wants and needs. Private Wealth Design is a comprehensive plan which includes an overview of your financial, retirement, income tax, estate, family wealth, and insurance planning, investment strategy, cashflow management, corporate consulting, risk management and more. We bring in third party experts on certain topics like estate planning and insurance if and when appropriate for your situation.

Q What is your fee structure?

It is important to understand that there are several ways an advisor or firm can be compensated and not all are obvious. Three common forms of compensation are Commissions, Fee-Based and Fee-Only. You need to be comfortable with how you're paying for advisory services, and make sure there are no conflicts of interest, which can at times benefit the advisor more than the clients.

A *Monument's Answer*

We are a Fee-Only advisory firm. This means we charge a set, one-time fee for Private Wealth Design, and an ongoing fee based on a percentage of your assets that are managed by our firm. We believe this is the best way, because you want to make sure we are focused not only on growing your assets, but also on executing across ALL aspects of your Private Wealth Design. We do not charge commissions nor do we accept any sort of revenue sharing from third party investment managers.

Q Who is your typical client?

Do you fit that mold? If not, are they going to be the best firm for you or is there a different firm that specializes in situations like yours?

A *Monument's Answer*

The value of what we do is in the quality of our work, not the sheer number of clients. To that end, we limit the most complex work we do for people who stand most to gain from it—and that tends to be business owners, entrepreneurs and executives with at least $5MM in assets.

Q What percentage of your clients come through referral?

A high percentage will let you know that the financial advisory team has a good reputation and that their opinion is respected and well shared.

A *Monument's Answer*

The vast majority of our clients come through referral. We believe that true differentiation comes from having and sharing an unfiltered opinion, not only with our clients, but in the public domain as well. Because of this, new clients tend to hear of us by word-of-mouth from existing clients or other professionals who are advocates for our business.

Q What is your client turnover rate?

A high turnover rate may signify unhappy clients or suggest that the advisor's expenses, value proposition or compensation incentives are misaligned with clients' needs.

A *Monument's Answer*

Typically, our clients stay with us generation-to-generation, as we help them pass down and preserve their wealth. On occasions that clients do leave Monument, it is usually due to a previously unidentified behavioral bias that creates a misalignment with our convictions. Frankly, it happens from time to time, and we are okay with that.

Q How much contact do you have with your clients?

Ensure that an advisor not only communicates with you on a schedule that you are comfortable with, but in a way you want. Many firms prohibit their advisors from communicating using some of the more up-to-date technology such as video conferencing systems, blogs, and texting.

A *Monument's Answer*

We communicate with clients as much as they'd like. At Monument, we're flexible. We typically meet with clients in-person or by video at least once per year and stay in contact throughout the year.

We also post an entertaining and educational "Off the Wall" Blog with videos and articles to keep our clients informed on our thoughts about the market on a regular basis.

Q How accessible are you?

Ensure that your advisor is not overly focused on business development. Inquire about who on the team will answer questions in an advisor's absence. Specifically ask about their availability, if they are qualified advisors and research their credentials.

A *Monument's Answer*

All Monument clients are clients of the firm, rather than of a particular Advisor. Because of this, anyone at Monument is available to help you. For specific topics, we will make sure the most qualified expert at Monument addresses your question. This makes us much more available than a single advisor.

Q Will you be the only one working with me?

Many of the teams at larger firms are "legacy teams" fashioned around one main advisor and several operations specialists or junior business development advisors. Question the roles of everyone on the team to determine who is in operations and who is actually qualified to give you advice.

A *Monument's Answer*

The Monument experience is one in which you get the attention of the whole team and know everyone by name. This is one of our greatest strengths—bringing together the exact experts needed to give you customized advice, support and guidance, as well as a whole team with a wealth of insight to help you achieve your goals.

Q How much experience do you have?

Make sure the advisory team you work with is a “collective mastermind” with varying expertises. Often, traditional teams at the larger firms are nothing more than advisors with operations specialists and their own "books" of clients.

A *Monument's Answer*

Our founding partners both worked at some of the largest firms on Wall Street before breaking off in 2008 to start Monument and do things a better way. As our Team grew over the years, we've brought on professionals with varying specialties and experiences, so our clients can benefit from a collective mastermind which yields not just some good advice, but a wealth of insight.

Q What certifications does your team have?

It’s important to know that the people who are managing your financial plan and investments have received the expected education, credentialing and training necessary to give the advice you seek. Make sure your advisory team has at least one CERTIFIED FINANCIAL PLANNER™ (CFP®) who will create your wealth plan and an investment specialist to manage your portfolio. It is especially important to ensure that someone on the team is a Chartered Financial Analyst® (CFA) professional if your portfolios are managed in-house by the advisor.

A *Monument's Answer*

The Monument Team is comprised of CFA charterholders, CFP®s, and a Certified Private Wealth Advisor (CPWA®).

Q Are you a fiduciary?

Many investors assume that their Advisor is always acting in their best interest but often, they simply don't know. You must ask this question and verify the answer to ensure you're in the right hands. For example, make sure your Advisor does not work for a firm that only allows them to sell the fund's proprietary products. Open architecture is important. Proprietary products or limited investment options restricts objectivity and can cause conflicts of interest. See more above, in the "What is your fee structure?" section.

A *Monument's Answer*

Yes. We are an SEC-registered investment advisor and as such are required by law to act in the best interests of our clients at all times. Unlike some "hybrid advisors", we do not hold any securities for a commission. Additionally, every Monument team member who holds the CFP® or CFA designations to act as fiduciaries. We are accountable to our clients—We say what we do, and we do what we say because Monument is a firm built on integrity and trust.

Q How would you invest my money?

We believe that advisors who are acting in the best interest of their clients should not be answering this question without the full picture of your life, through conducting thorough wealth planning. Being pitched on products or investment strategies before creating a comprehensive wealth plan is an indication that your advisor may not be acting in your best interests.

A *Monument's Answer*

We do not believe we can recommend investment strategies without first knowing the answer to, "What's the money for?" We answer this question through a 90-minute discovery meeting followed by a written Monument Blueprint. We then co-create your full Private Wealth Design, which guides us to making the best recommendation for how to invest your funds to ultimately achieve your goals.

What is your succession plan?

Are you working with a "solo advisor" or a team that is comprised of a single advisor and several operations assistants? This creates "succession plan" risk should the senior advisor retire. Ensure that any team you work with has a solid, qualified team in place to continue advising you if your primary advisor retires.

Monument's Answer

Monument has adopted a "Path to Ownership" designed to retain our valuable team members and eliminate any "succession gap" were the Partners to retire when you still need advice. As a multi-generational practice, we are organized to manage wealth and wealth transfers for generations to come.

Additional Resources

- **Certified Financial Planner Board of Standards, Inc.**
  800.487.1497 | www.CFP.net/search
- **North American Securities Administrators Association**
  202.737.0900 | www.nasaa.org
- **National Association of Insurance Commissioners**
  816.783.8500 | www.naic.org
- **Financial Industry Regulatory Authority**
  800.289.9999 | www.finra.org
- **Securities and Exchange Commission**
  800.732.0330 | www.sec.gov

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