

When Should a DIY Investor Quit DIYing?

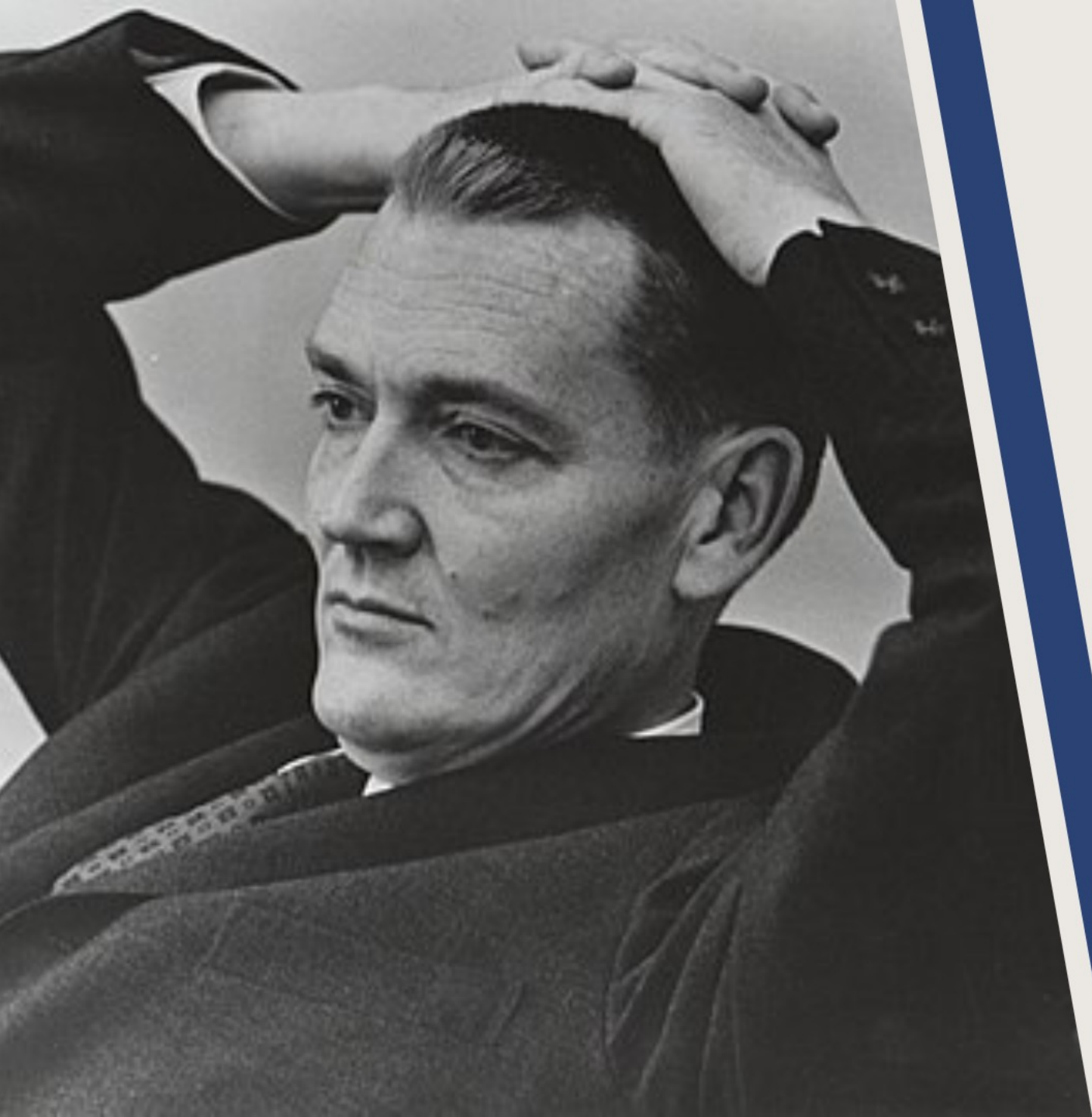
3:15 - 4:00 pm CDT

CURRENT SESSION



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When Should a Do-It-Yourselfer Quit Doing It Themselves?

Carolyn McClanahan, M.D., CFP®



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Our Journey Today

- How much do you do yourself?
- When should you get help?
- Getting help



How Much Do You Do Yourself?



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Ways to do it yourself

- Cash flow/budgeting
- Taxes
- Insurance/asset protection
- Estate planning
- Investments



Cash Flow and Budgeting

- Everyone should be able to do this
- When people get in trouble
 - Not paying attention to statements
 - Have too many savings/checking accounts/credit cards
 - Poor social security claiming strategies
 - Not noticing they are slipping



Taxes – Tax Prep

- Software makes it easy
- When people get in trouble
 - Assets too complicated
 - Businesses/self-employment income
 - Alternative assets
 - Too much trading
 - Multiple income streams
 - Not keeping up with 8606s
 - Cognitive decline



Taxes – Tax Planning

- Biggest mistakes I see in DIY's
- When people get in trouble
 - Not utilizing lower tax brackets for income/capital gains
 - Miscalculating retirement plan distributions
 - Making inappropriate contributions
 - Not keeping up with basis
 - Poor charitable planning
 - Gifting inappropriately



Insurance/Asset Protection

- Underinsured
 - Not enough underlying coverage
 - No umbrella
- Forgetting to homestead
- Inappropriate titling of assets



Estate Planning

- Not completing documents
- Using internet based documents
- Not verifying how assets will pass
 - Titling
 - Beneficiary
 - Through trust or will
- No one else knows what is going on (spouse)



Investments

- Not understanding financial goals
- Poor tax management
- Too many accounts/not simplifying
- Inappropriate titling
- Not keeping up with basis
- Not addressing cognitive decline



When Should You Get Help?



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The Poop Piles

- Complicated financial situation
- Someone is counting on you
- You are starting to slip



Are You Complicated?

- What are your skill sets?
- Do all the puzzle pieces fit together?
- You don't know what you don't know.
- Consider going to an hourly planner to get a check up on what you are doing.
- Get help during the distribution phase



Someone Is Counting On You

- They have the skills
 - Yearly audits
 - Have a backup
- They do not have the skills
 - Have a backup (planner or other family member)
 - Yearly audits



You Are Slipping

- Normal aging
- Mild cognitive impairment
- Dementia



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You Are Slipping

- Always have a backup
- Yearly audits with your backup
- At some point, allow access to observe what you are doing
- Involve a planner



Getting Help



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Who Should Help You?

- Family members or friends
- Outside parties
 - Financial planner
 - Accountant
 - Attorney
 - Professional fiduciaries



Family Members or Friends

- Create transparency with multiple people
- Make sure your surrogate is on the same page
- Consider involving an outside party



Advisors

- Use a comprehensive fee only fiduciary
 - Hourly
 - Flat fee
 - Assets under management
- Where to find them?
 - NAPFA
 - XY Planning Network
 - Garrett Planning Network
 - ACP



Other Professionals

- Make sure the accountant and attorney will coordinate with the financial planner
- Professional fiduciaries – every state is different



Turning Over Duties

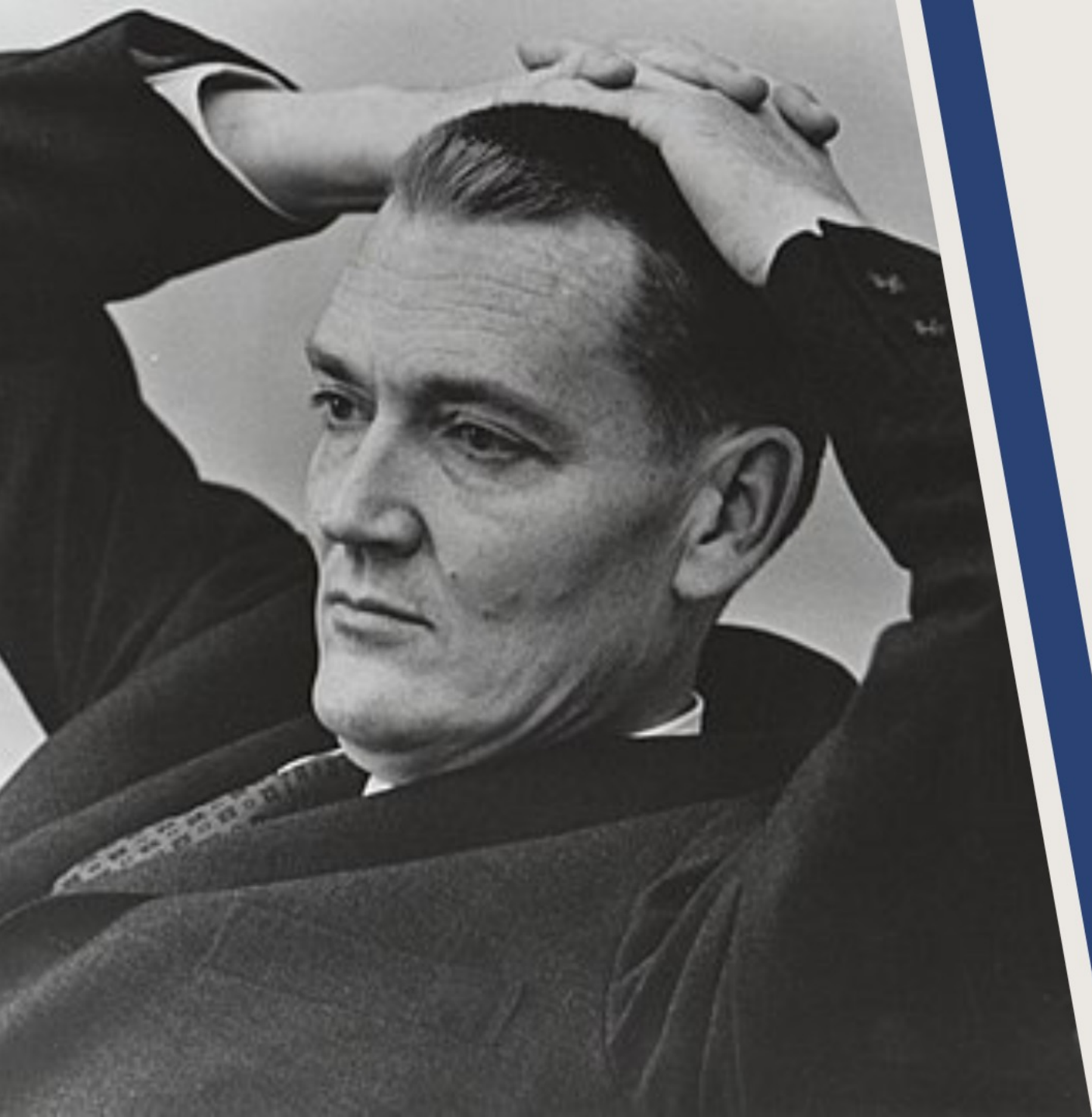
- Bring someone in long before there is a need
- Start with observation
- Move to investment management and bill paying
- Have multiple people involved and transparency from the beginning



Summary

- The biggest danger to financial well-being is not fraud or abuse.
- The biggest danger to financial well-being is the person who refuses to recognize their limitations and refuses to get help.
- Being a do-it-yourselfer is great as long as you plan for the day when you are no longer able to do it yourself.





Questions?

carolyn@carolynmcclanahan.com

@CarolynMcC



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Withdrawal Rate Rumble



4:10 – 5:00 pm CDT

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