

# Questions Federal Employees Should Ask a Financial Advisor

## The Basics

### Team or Solo Advisor

- Who will you be working with?
- Can you explain how your team meets with clients?
- Will you be assigned a primary advisor?

### Location of Meetings

- How often will we meet in person vs. virtually?
- What happens if I move to a different state?

### Who Are Their Typical Clients?

- Do They have a Niche or Specialty? Such as Federal Employee
- Are there similarities among Clients? Like age or stage of life.
- How many clients do you serve? Some people want a small firm, others like a big name
- What are you looking for in your ideal client? This is a two-way decision to move forward
- How do you try to understand what is most important to me and my family?

## Services

### Scope of Work

- Can you describe the type of relationship you have with clients? examples:
  - o Specific transactions – an investment guru or insurance salesperson
  - o Strong long-term relationship through financial planning
- Are there areas where you provide advanced planning expertise? examples:
  - o Federal Employees – What makes you different while serving federal employees?
  - o Tax Planning – What is your process to review tax returns?
  - o FEHB – How do they review your health insurance plan?
- Do you bring in other advisors when a situation is too complex? How are they paid?
- Can I see samples of the reports you create?

### Frequency of Meetings

- How often will we meet?
- Is there a limit or extra cost for additional meetings?

## Qualifications

### Education

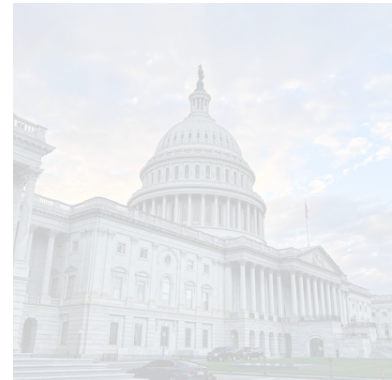
- Are you a CERTIFIED FINANCIAL PLANNER®? Any designations?
- Please describe your knowledge with federal employee benefits.
- You mentioned a specialty in \_\_\_ area. How do you stay ahead of the curve?

### Years of Experience

- How long have you been in the industry?
- How long have you been a lead advisor in a fiduciary capacity to your clients?
- How long have you been serving federal employees?

### Work as a Team

- What are the expertise of other members of your team?
- I'm concerned about your lack of \_\_\_\_\_. Can you describe how you are supervised?
- Does everyone on your team specialize with federal benefits?



# Questions Federal Employees Should Ask a Financial Advisor

(continued)

## Fiduciary Status

### Are You a Fiduciary?

- This is the wrong question. Most advisors are fiduciaries, but not always 100% of the time.
- Is there ever a time when you are not acting as a fiduciary?

## Cost and Compensation

### Why is this Important to You?

- Cost relates to the value you receive.
- Compensation identifies conflicts of interest during the relationship.

### Cost

- What is the total cost to work with you?
  - o Advice fees
  - o Asset Under Management (AUM fees)
  - o Hidden fees like expense ratios
  - o Transaction fees

### Compensation

- How are you paid?
- Do you get bonuses or incentives based on revenue you generate?
- Are there any gifts or trips you receive from vendors or the company?

## Investment Management

### Requirements

- Am I required to move all my money to your firm?
- Do I have any say in the investments you use?

### Investments

- What is the process for the investments you are responsible for?
- What is your performance? No advisor should promote themselves based on returns.
- Can you provide an example of an error and how you made the client whole?
- What guidance do you provide on my TSP? Does this cost extra?

### Cash and Reserve Management

- Do you have a system to help me to maintain appropriate reserves?
- Do you charge to manage my cash positions?

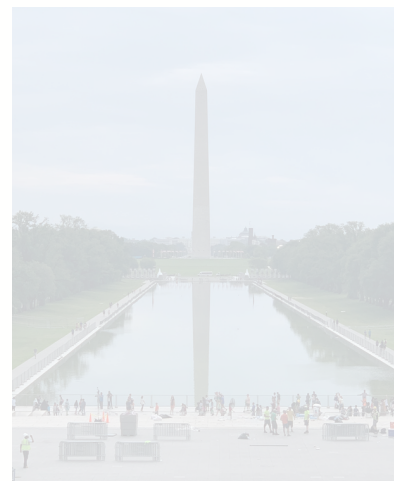
## Technology

### AI and Notetakers

- Are you implementing these new technologies?
- How are you protecting my privacy and sensitive information?

### Why?

- How are you different from other advisors?
- Why should we hire you compared to other advisors?



### Research Thoroughly

- Website including their disclosures
- Regulatory websites
  - SEC - [Check out Your Financial Professional](#)
  - FINRA - [BrokerCheck](#)
- Websites of any credentials they use



Valor Wealth Partners is an Investment Adviser offering services in the District of Columbia, Florida, Maryland, Massachusetts, New Hampshire, Texas, Virginia, and in other jurisdictions where exempt from registration.