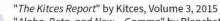
## **QUANTIFYING THE VALUE OF FINANCIAL PLANNING ADVICE**

FINANCIAL PLANNING STRATEGY	POTENTIAL ECONOMIC IMPACT	EASIER TO MEASURE
INCOME TAX BENEFITS		
- Claiming tax deductions, credits, & tax-free investing opportunities.  Deductions, credits, ROTH IRAs and 529 plans, etc.	\$1,000s or \$10,000s	
- Tax deferral - Retirement contributions, TLH.	\$10,000s or \$100,000s	
- Tax bracket arbitrage - Roth conversions, tax sensitive liquidations.	0%-30% of total wealth	
INVESTMENT PLANNING BENEFITS		
- Picking Lower-Cost Investments	0.45%-0.82%	
- Tax Loss Harvesting	0.20%-0.60%	
- Asset Location	Up to 0.75%	
- Investment Selection for Alpha?	>0%	
- Rebalancing	0.35%-0.44%	
- Diversification	Risk reduction	
- Behavior Gap	Up to 1.50%?	
ESTATE TAX BENEFITS		
- Federal estate tax savings (for those >\$5M?)	Millions	
- State estate tax savings	\$100,000s or Millions	
- Probate and settlement cost savings	\$1,000s or \$10,000s	
- Ensuring assets go where they should and when	Priceless!	
RETIREMENT PLANNING BENEFITS		
- Retirement portfolio tax strategies and withdrawal sourcing	0.50%-0.70%	
- Maximizing Social Security benefits	\$10,000	
- Retirement-sensitive tax planning strategies (e.g., Medicare Part B and Part D premium surcharges)	\$1,000s to \$100,000s	
- Setting spending policies and budgeting	Making retirement work!	
- Determining when you can stop working!	Priceless!	
INSURANCE PLANNING BENEFITS		
- Optimizing Insurance Coverage	\$100s or \$1,000s	
- Eliminate Financial Catastrophes	Priceless!	
DELEGATION BENEFITS		
- Enhance Value of Your Time	\$1,000s or \$10,000s	
- Spend Money to Free Up Time	Emotional Well-Being!	
- Ensure Things Actually Get Done!	Priceless!	
BEHAVIORAL BENEFITS		<b>V</b>
- Debiasing	Unquantifiable?	HARDER TO
- Financial coach for implementation	Priceless!	MEASURE
TYPES OF IMPACT		

Well-Being Enhancement



Financial Gain

Risk Reduction



Behavioral Change

<sup>&</sup>quot;Alpha, Beta, and Now... Gamma" by Blanchett & Kaplan, 2013

<sup>&</sup>quot;Quantifying Vanguard Advisor's Alpha" by Kinniry, Jaconetti, DiJoseph, & Zilbering, 2014