C. DeRosa Hi, Jane. Thank you so much and thank you, everyone, for being on the call. I’m here today to introduce you to Joel Framson. Joel is a Certified Public Accountant and he has also earned the Personal Financial Specialist Credential from the American Institute of Certified Public Accountants and he has a Master’s in Business Taxation from USC.

Joel has been active within the AICPA Personal Financial Planning Division and is currently chairman of the Personal Financial Planning Executive Committee. In 2003, he was awarded the PFP -- Personal Financial Planning -- Division’s top honor of the Distinguished Service Award. Named by Robb Report Worth Magazine as one of the nation’s top 100 wealth advisors, Joel is frequently quoted in the Los Angeles Times, Investor’s Business Daily and the Wall Street Journal. He has appeared as a guest on CNNfn and has been featured numerous times on the radio.

Joel is also the President of Silver Oak Wealth Advisors, LLC in West Los Angeles. Silver Oak Wealth Advisors specializes in helping women who have experienced a sudden change in their
role as financial decision makers by developing a financial roadmap to assist in integrating life goals with investment decisions. Joel is a big supporter of financial literacy and, in particular, he’s a great advocate of women’s financial literacy. It is my pleasure and distinguished honor to introduce to you Mr. Joel Framson.

J. Framson

Thank you so much, Christine and thank you for calling, everybody who’s out there on the call. This is a wonderful group of people to be included with, and I’m very happy to try to share some of my experiences in working with women over the past many years.

My role as a financial planner is to help people to integrate money and meaning. That’s, I think, a big challenge. Many of us who are independent financial advisors have learned from professionals in the coaching and psychology professions that money issues create an awful lot of stress and that could be whether you have too little or too much money.

Going back to Barbara’s introduction, it’s not unusual for people with wealth, coming from families with wealth to have difficulties with managing money and some just don’t want to have to deal
with it and turn it over to somebody else. So my goal is also to help empower people to make wise decisions about money.

I found over the past several years that many of my clients are women whose husbands have passed away and have not been involved traditionally as the family’s chief financial officer or decision maker. I typically send them a questionnaire when we first start thinking about working together, and they send that back and often the most frequent fear that they express to me is the fear of becoming a bag lady. I think that’s a very real fear. It doesn’t matter whether you have, obviously, a nominal small amount of money or whether you have a fairly substantial amount of money. That fear seems to be very prevalent.

Let me share a number of steps that I often use with my clients, and I’ll share with our listeners. The first one I want to talk about is identifying your heart’s core values. Why is that important? Because you want to make sure that the decisions that you’re going to make about money are meaningful. Since money is usually, for most us, a limited commodity, we need to consciously prioritize how we spend it. That gets back to the word “intention” that was used earlier. We need to intentionally determine how we’re going to prioritize our money decisions.
The first thing we talk about with clients is to create a roadmap at that point, determining where you want to go and how you’re going to get there. I remember the story from Alice in Wonderland when she was speaking with the Cheshire Cat, she asked which way should she go. The Cheshire Cat replies, “Well that all depends on where you want to get to.” It’s the same whether you’re starting a business, you’re in a business, or you’re starting a road trip. You need to create a vision of where you want to end up. Your goal should be to create a life plan that will integrate your money decisions with your heart’s core values. That way, when you do arrive at your destination, you will know that the journey was meaningful. That’s the first step for all of us is to go through that exercise to determine what’s important.

Some examples of that might be, for example, families or women with children. Children may be a top priority. Travel, I often hear, as being a top priority in that heart’s core value area. Charity, working for charities, donating money to charities, leaving a legacy, leaving something meaningful when you’re done - all of those are examples of identifying core values that you want to be able to make decisions about.
Once you’ve created the roadmap and you have an idea and have created a vision of where you want to end up, we need to identify now very specific short-term goals and specific long-term goals. For many clients that I’m working with, they’re finding that if their husbands have passed away, they have a house. They may or may not want to keep that house. They may want to downsize. The first thing that I suggest to them in terms of decision making, especially after an event around money whether, again, it’s an unexpected death or possibly even an inheritance - some situation that changes your status with money and finances - take a breather. Take a little hiatus. Don’t make decisions. Go into a decision-free zone for a while until you are psychologically ready to be able to approach this in a very objective way.

Now if that means not buying something, if it means renting for a year or more, do that. Give yourself the freedom not to have additional pressure once you’ve gone through those changes already. I think that’s important for people to have that empowerment to not make decisions right away.

But then, identify the goals that will be important. How big a house, townhouse, condominium can I afford? What kind of spending plan is appropriate? How much can I spend? How do I
do that both in terms of looking at my short-term needs from a budgeting standpoint and also to make sure that down the road, I’m going to be secure and that I’m not spending too much so that when I am retired or I’m not earning money, I know that that money will last me the rest of my life? All of those things can be objectified, can be quantified, and we can create the numbers by looking at the combination of core values and lifestyle expenses.

Then, how do I invest prudently? What do I need to do in order not to take excessive risk? How do I sleep at night? How do I get peace of mind so that when the markets do what they did over the past several years, I’m still going to be able to sleep at night?

One of the biggest problems that I’ve seen -- especially over the past several years -- is that many people made investment decisions that were not wise. They probably didn’t have someone who was independent and objective to help them identify a prudent process of investing.

One of the things that the AICPA has done over the past few years, we had a major project to create a handbook, which is a handbook identifying a prudent process of investing. So my suggestion to our listeners would be to find an advisor who is truly objective and
independent, who can help them develop a prudent process, which means looking at an appropriate level of diversification, avoiding having too many eggs in one basket, which I’ve seen too often over the past several years. Once that plan is done and you’ve got the diversification, you’ve identified a level of risk that’s appropriate for you, then strategically you should be able to move forward with a rate of return that you can target, a reasonable expected rate of return that will tie into that long-term roadmap, that will support it and that will be a reasonable target to give you the kind of both cash flow and growth that you need for the future to battle things like inflation and the need for certain amounts of growth.

I think those are the key things that I want to share with the listeners. I think that will be a big step toward helping them to become financially independent and to make sure that their money decisions are being made wisely.

J. Walstedt Thank you, Joel, for those very helpful suggestions for empowering us to make wise decisions about our money. Now, I’m going to ask the operator to give us instructions on how to ask a question, but I’d also like to say that if any of you speakers have comments on each other’s presentations or want to add a comment
that you didn’t get to mention because you didn’t have time or you thought of afterwards, I welcome that too. But first, Sarah, could you give us instructions on asking questions?