

Profiles ***Professional*** Version 8.0

Desktop



Start Planning Guide

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Creating a new client case in a suitable analysis mode

Create New Case

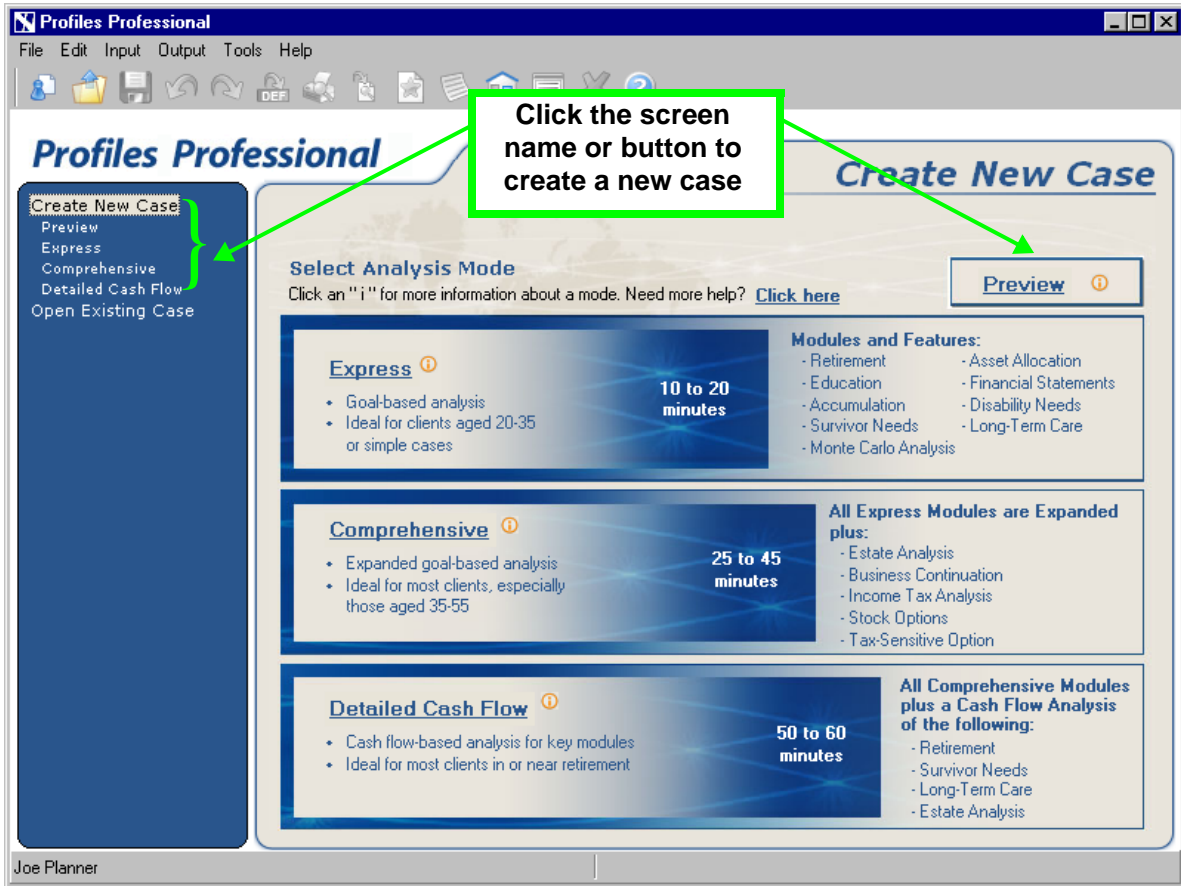


Figure 1: Create New Case

Creating and analyzing the current financial situation

Preview – Personal Data

Profiles Professional - Preview

File Edit Input Output Tools Help

Profiles Professional **Personal Data**

Case Setup
Case Data
Personal Data
Financial Needs
Assumptions
Client Presentation

Plan Date: 05/02/2007 Name to Appear on Reports: Fred and Wilma Stone

Personal Data Client A

First Name: Fred
Last Name: Stone
Date of Birth: 01/01/1970
Salary and Self Employment Income: \$70,000
Social Security Benefit Level: Earnings Based
Client Marital Status: Married

Personal Data Client B

First Name: Wilma
Last Name: Stone
Date of Birth: 01/01/1972
Salary and Self Employment Income: \$60,000
Social Security Benefit Level: Earnings Based

Direct Income Source

Source #: 1 of 1
Source: [Dropdown]
Client A / Client B: Client A
Monthly (Except Lump-Sum): \$0
Annual Increase: 4 %
Present / Future Value: Present Value
Begin at Age: 37
End at Age: 90
Available at Death:
Client A: 100 %
Client B: 100 %

Joe Planner | Plan date

Annotations:

- Ensures Social Security survivor benefits (points to Social Security Benefit Level)
- Follow your progress (points to sidebar)
- Drives Social Security income in the case (points to Social Security Benefit Level)
- Enter future incomes (points to Present / Future Value)

Figure 2: Case Data – Personal Data (Preview mode)

Preview – Financial Needs

The screenshot shows the 'Financial Needs' section of the Profiles Professional software. The interface includes a menu on the left with options: Case Setup, Case Data, Personal Data, Financial Needs (highlighted), Assumptions, and Client Presentation. The main area is divided into three sections: Education, Survivor, and Retirement. The Education section contains a table with 6 rows for dependents. The Survivor section has input fields for Assets Available, Liabilities to be Paid, and Life Insurance, each with sub-fields for 'At Client A's Death' and 'At Client B's Death'. The Retirement section has input fields for 'Current Assets Available' (set to \$75,000) and 'Monthly Savings' (set to \$0). Callout boxes with green borders and arrows point to specific input fields: 'Enter names of dependents and current savings for education' points to the first row of the Education table; 'Define existing support for survivor in life insurance analysis' points to the 'Assets Available' field; and 'Define current savings for retirement' points to the 'Current Assets Available' field. The bottom of the window shows 'Joe Planner' on the left and 'Dependent's name' on the right, with 'Back' and 'Next' buttons.

Dependent First Name	Birthdate	Dependent of Client A	Dependent of Client B	Current Savings	Monthly Savings
1		<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0
2		<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0
3		<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0
4		<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0
5		<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0
6		<input type="checkbox"/>	<input type="checkbox"/>	\$0	\$0

	At Client A's Death	At Client B's Death
Assets Available	\$0	\$0
Liabilities to be Paid	\$0	\$0
Life Insurance	\$0	\$0

Current Assets Available	\$75,000	Monthly Savings	\$0
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Figure 3: Case Data – Financial Needs (Preview mode)

Preview – Assumptions

Profiles Professional - Preview

File Edit Input Output Tools Help

Profiles Professional **Assumptions**

Case Setup
Case Data
Personal Data
Financial Needs
Assumptions
Client Presentation

General Information

What is your Estimate of the Long-Term Inflation Rate? %

What is your Estimate of the Long-Term Asset Rate of Return? %

What is your Estimate of the Social Security Maximum Growth Rate? %

Mortality Age: Client A Mortality Age: Client B

Education

Yearly College Costs

College Cost Inflation Rate %

Survivor Needs

Final Expenses

With Dependents, Monthly Income Need as % of Total Income

Without Dependents, Monthly Income Need as % of Total Income

Emergency Reserves Total Monthly Income Multiplier

Retirement

Monthly Income Goal as % of Total Income %

Retirement Age: Client A Retirement Age: Client B

Joe Planner | Estimate of long-term inflation

Key retirement assumptions

Search for \$ value of education costs

Goal values as a % of current income

Figure 4: Case Data – Assumptions (Preview mode)

Preview – Client Presentation

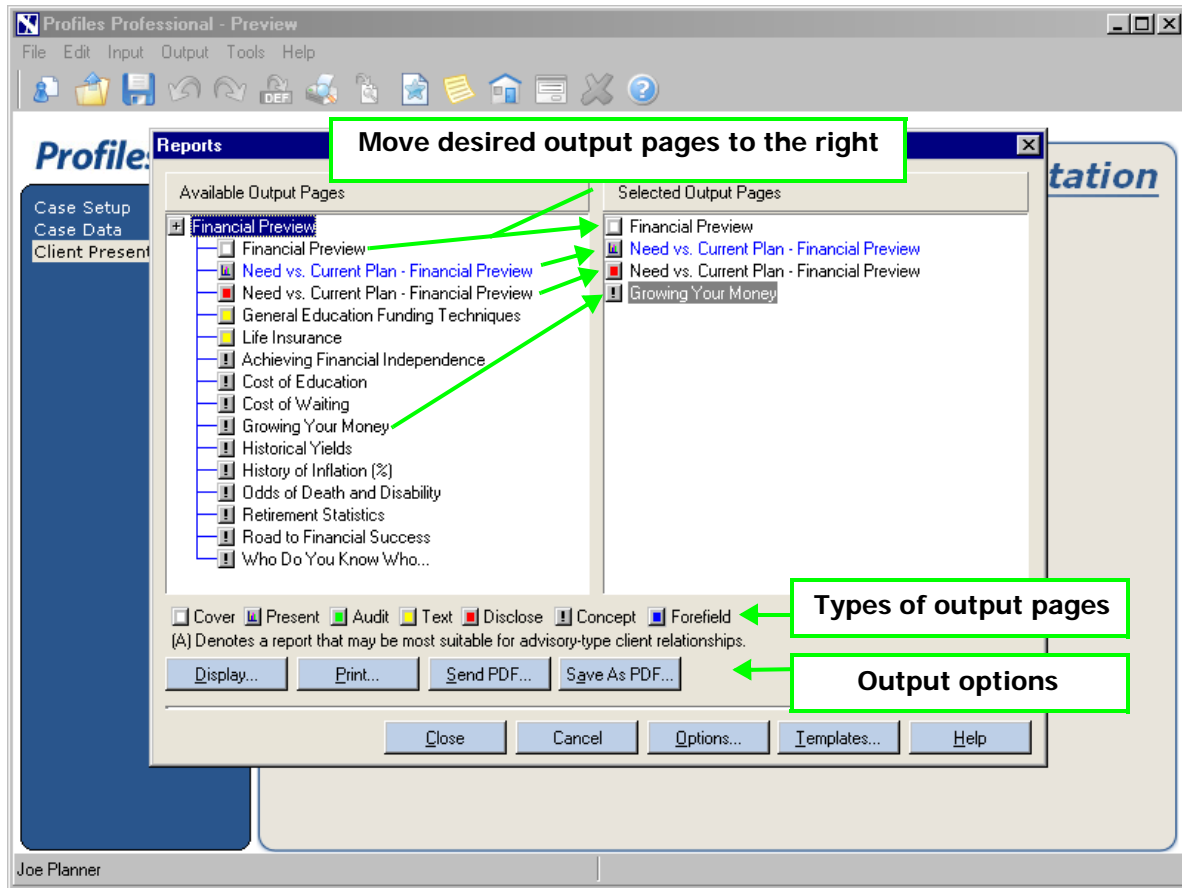


Figure 5: Client Presentation (Preview mode)

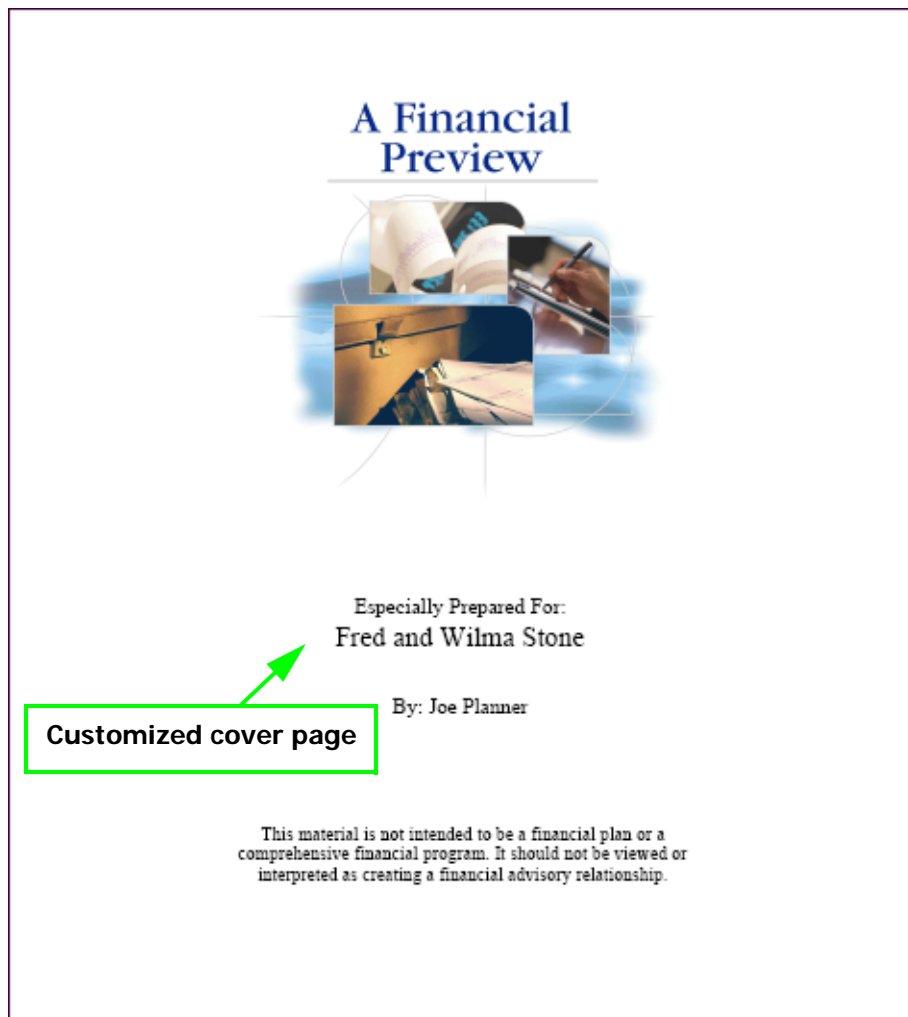
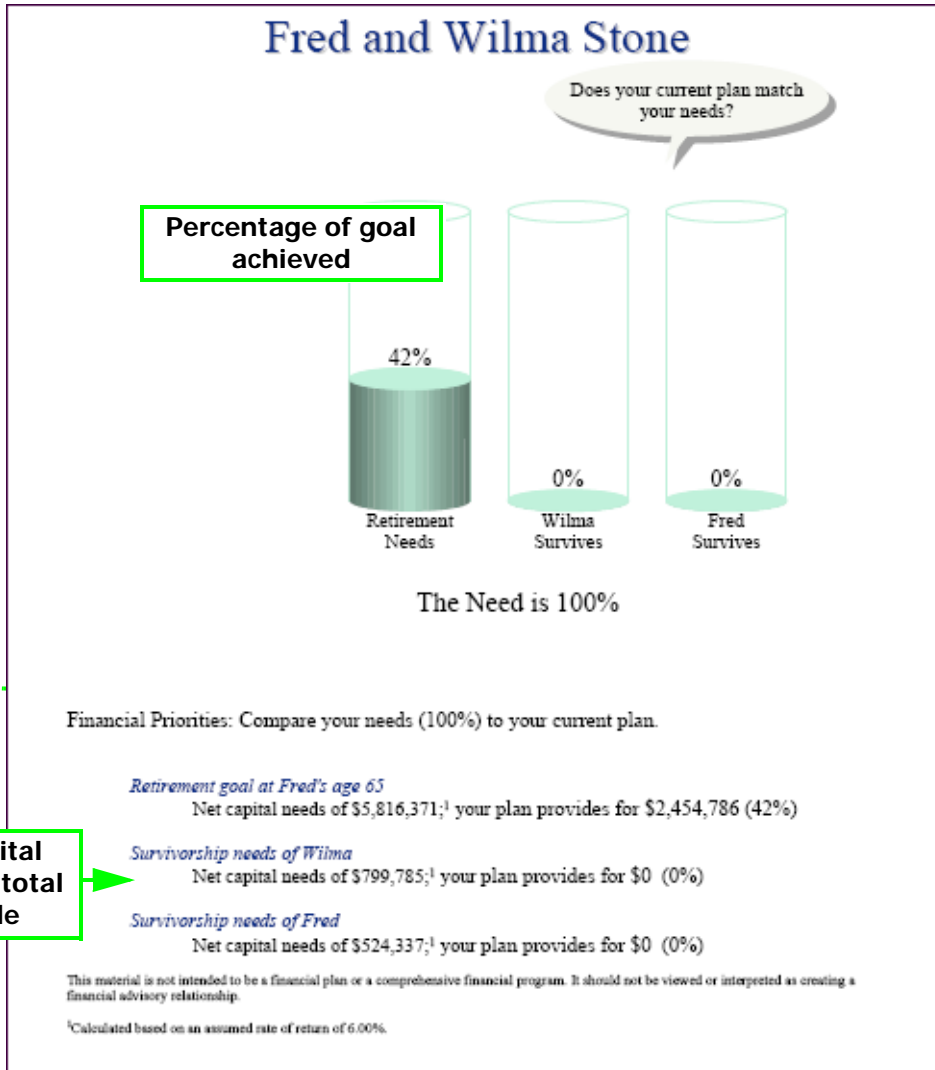
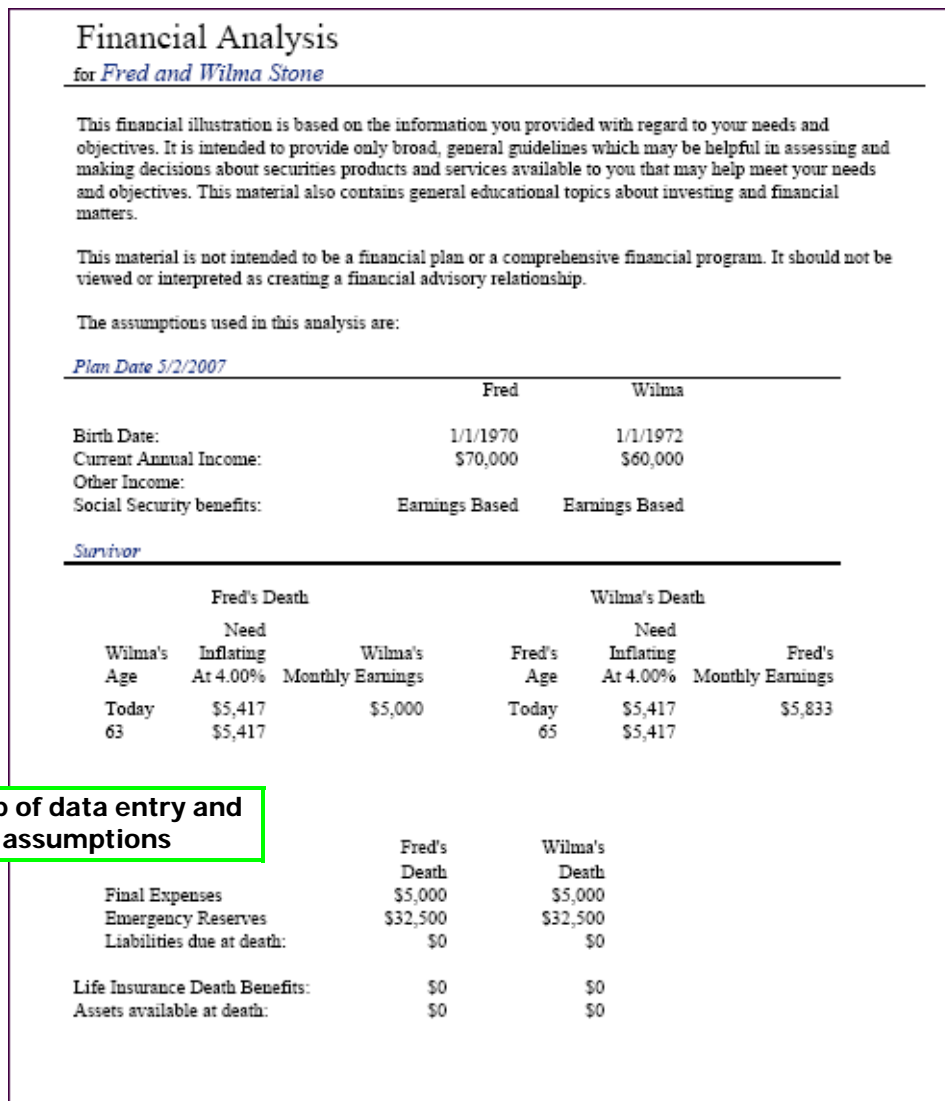


Figure 6: Client Presentation – Financial Preview (cover page)



Total capital needed vs. total available

Figure 7: Client Presentation – Financial Preview – Needs vs. Current Plan - Financial Preview (presentation page)



Recap of data entry and assumptions


Figure 8: Client Presentation – Financial Preview – Needs vs. Current Plan - Financial Preview (audit page)

Growing Your Money

For example...

Initial Capital	\$75,000
Assumed Rate of Return	6.00%
Monthly Savings	\$500
Annual Increase to Savings	0.00%
Number of Years	28

Concept pages explain general financial planning ideas



GROWS TO
\$807,789

Hypothetical illustration only and is not indicative of the performance of any particular investment.

Figure 9: Client Presentation – Financial Preview – Growing Your Money (concept page)

Identifying features of Comprehensive mode

Upgrade Client Case

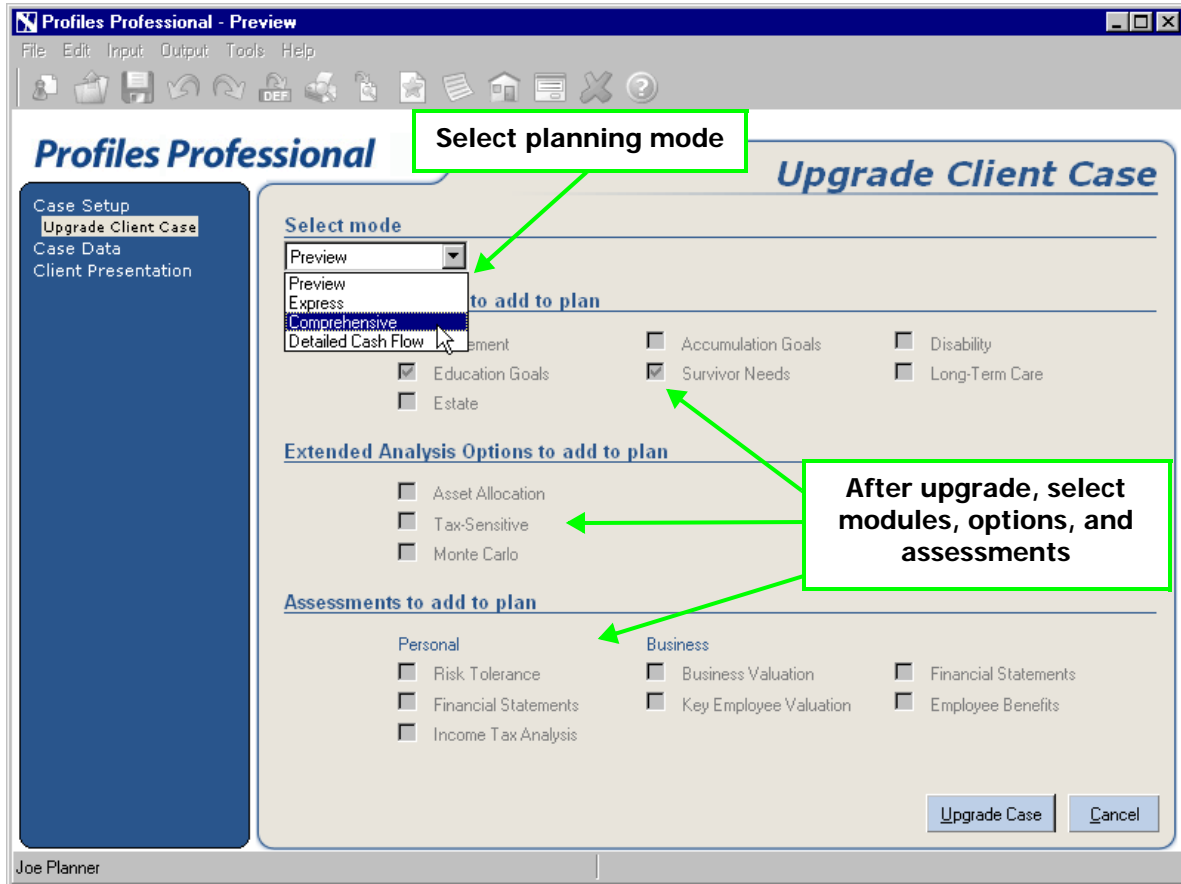


Figure 12: Case Setup – Upgrade Client Case

Comprehensive – Assumptions

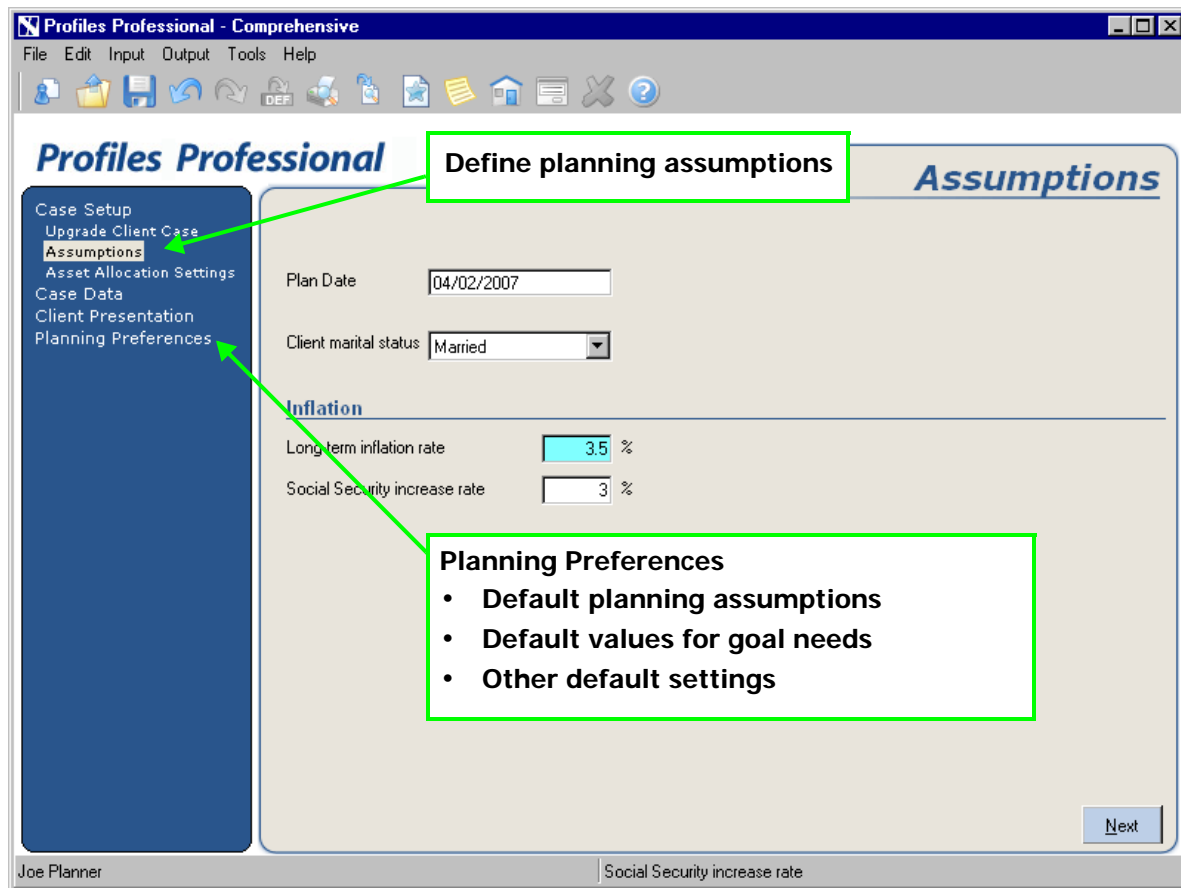


Figure 13: Case Setup – Assumptions

Comprehensive – Income

Profiles Professional - Comprehensive

File Edit Input Output Tools Help

Profiles Professional **Income - Client A**

Case Setup
Case Data
Personal Data
Dependents
Risk Tolerance Profile
Income - Client A
Income - Client B
Direct Income Source
Taxes Withheld
Income Tax - Client A
Income Tax - Client B
Expenses
Assets
Stock Options
Liabilities
General Insurance
Life Insurance
Disability Insurance
LTC Insurance
Retirement
Education Goals
Accumulation Goals
Survivor Cash Needs
Survivor Inc. Needs
Disability Inc. Needs
Estate
Asset Distribution
Distribution Order
Reallocation
Notes
Client Objectives

Income	Monthly	Annual	Annual Total	Nontaxable Portion (Annual)
Salary	\$5,500	\$0	\$66,000	\$0
Self-Employment	\$0	\$0	\$0	\$0
Interest and Nonqualified Dividends	\$0	\$1,400	\$1,400	\$0
Qualified Dividends	\$0	\$0	\$0	\$0
Defined Benefit	\$0	\$0	\$0	\$0
Social Security	\$0	\$0	\$0	\$0
Alimony	\$0	\$0	\$0	\$0
Rental Property (Net)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
TOTAL INCOME	\$5,500	\$1,400	\$67,400	\$0

Future Earnings Increase %

Back Next

Joe Planner

Figure 14: Case Data – Income - Client A

Comprehensive – Expenses (Including Taxes)

Profiles Professional - Comprehensive

File Edit Input Output Tools Help

Profiles Professional **Expenses**

Define taxes paid for cash flow

Optional tax information

Enter clients' current gross expenses

	Monthly	Annual	Annual Total
Housing	\$1,800	\$3,000	\$24,600
Child Care	\$300	\$0	\$3,600
Transportation	\$750	\$1,000	\$10,000
Food and Beverages	\$425	\$0	\$5,100
Clothing	\$200	\$0	\$2,400
Furnishings	\$0	\$1,500	\$1,500
Personal Care and Cash	\$550	\$0	\$6,600
Medical/Dental/Rx	\$120	\$0	\$1,440
Education/Self-Improvement	\$0	\$3,000	\$3,000
Entertainment	\$300	\$0	\$3,600
Vacations and Holidays	\$0	\$4,800	\$4,800
Charitable Contributions	\$100	\$0	\$1,200
Additional Expenses	\$0	\$200	\$200
TOTAL EXPENSES	\$4,545	\$13,500	\$68,040

Do not double count expenses like mortgages, premiums, and taxes, which are entered elsewhere

Back Next

Joe Planner

Figure 15: Case Data – Expenses

Comprehensive – Assets

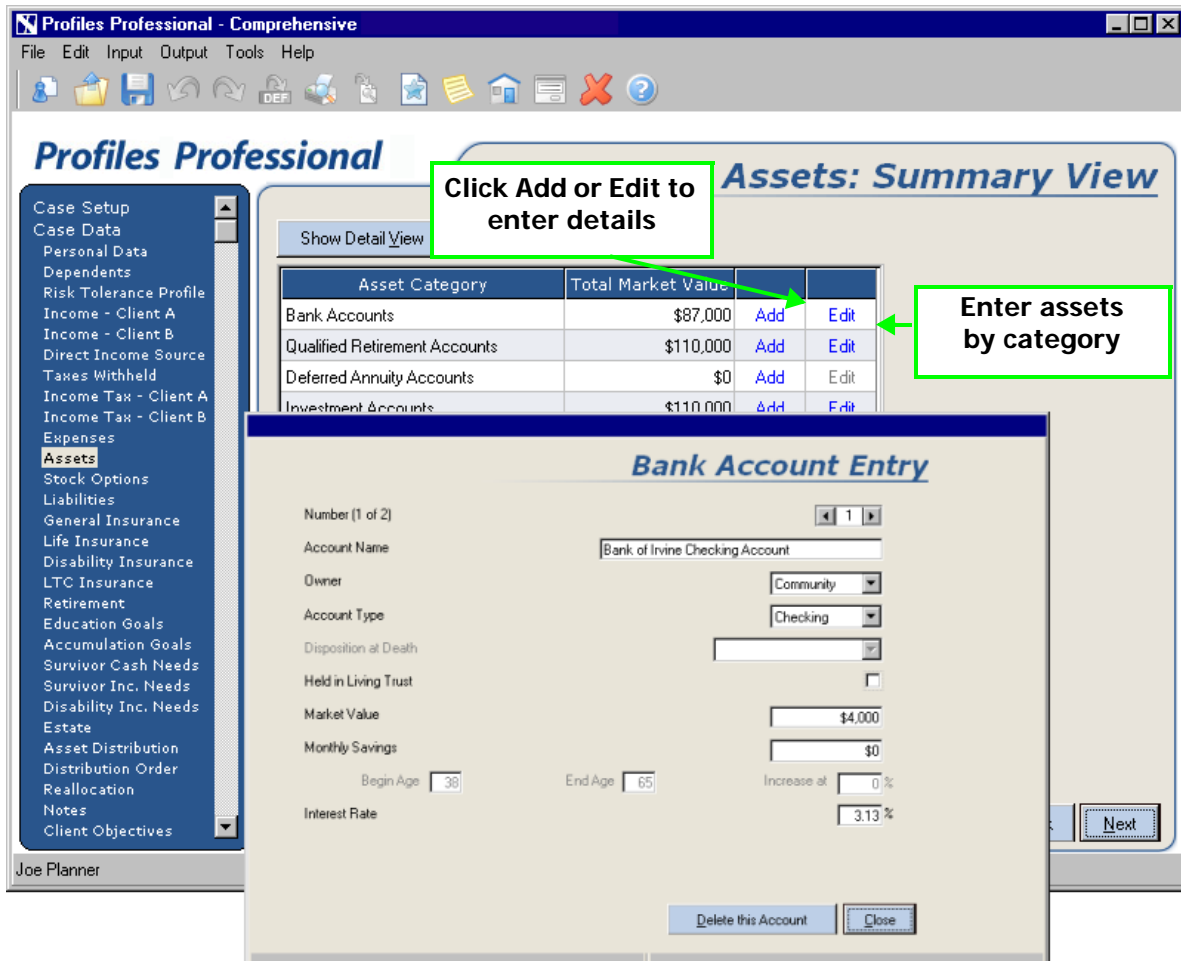


Figure 16: Case Data – Assets

Comprehensive – Liabilities and Insurance

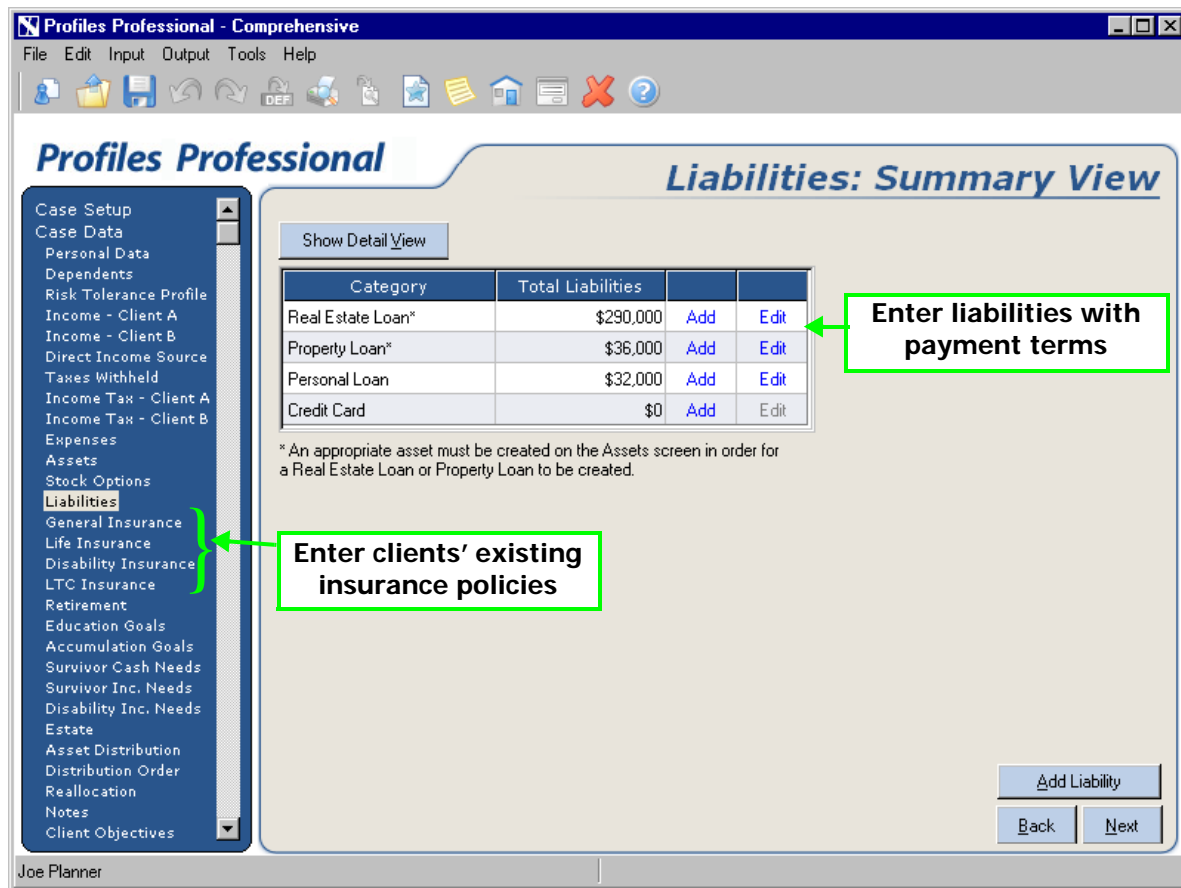


Figure 17: Case Data – Liabilities

Comprehensive – Objectives

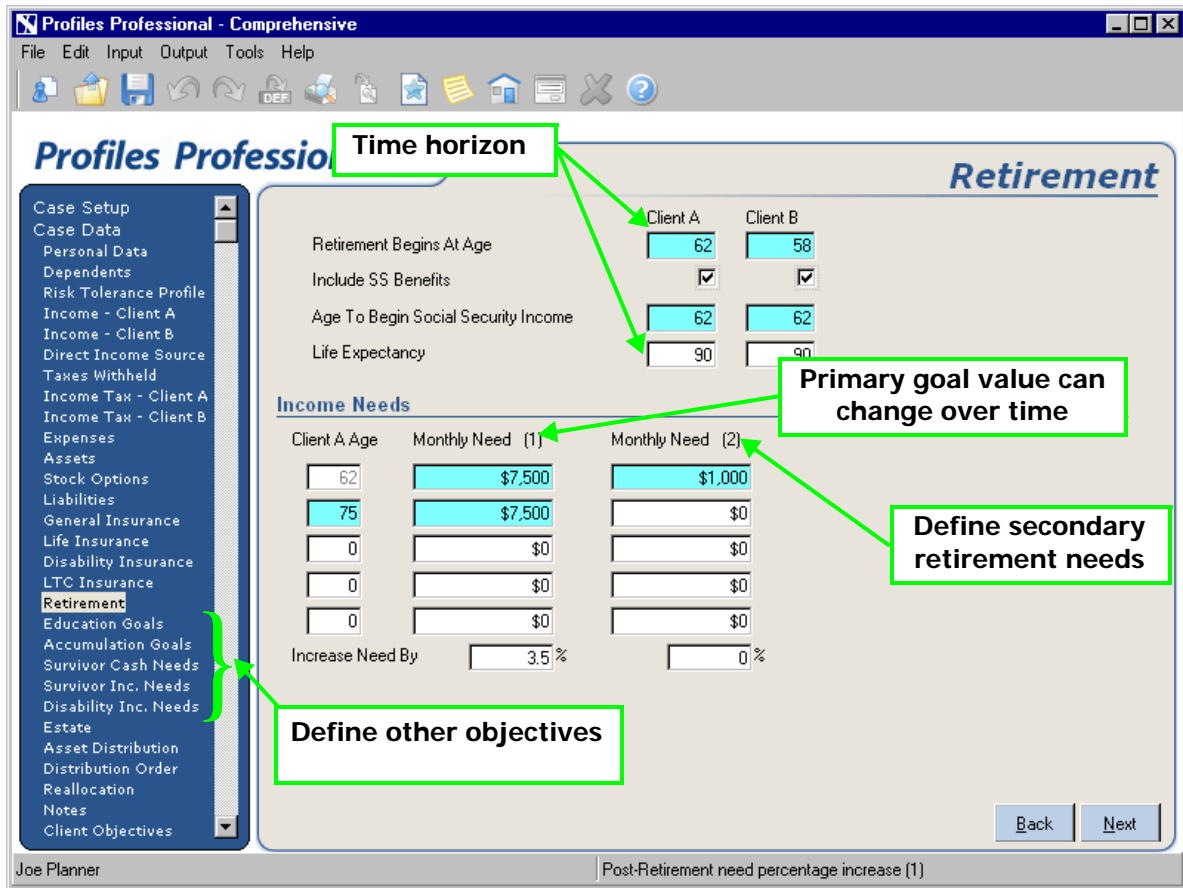


Figure 18: Case Data – Retirement

Comprehensive – Asset Distribution

The screenshot shows the 'Asset Distribution' window in Profiles Professional. The interface includes a left-hand navigation menu, a 'Portfolio Assets' table, and a 'Hard Assets' table. Three green callout boxes provide instructions: 'Select which assets are reserved for each goal' points to the 'Reserve Asset for a Goal' columns; 'Sell or hold hard assets like real estate' points to the 'Sell Strategy' column; and 'Control the order in which assets are redeemed using one of three options' points to the 'Distribution Order' option in the navigation menu.

Portfolio Assets

Accounts and Holdings		Available for Following Events			Reserve Asset for a Goal	
Asset Name	Market Value	At Retirement	When Client (A Dies, B Dies)		Education	Accumulation
Bank of Irvine Chec...	\$4,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Bank of Irvine Chec...	\$5,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Cash Management ...	\$6,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
First Bank CD	\$14,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Hard Assets

Name	Value	Hold	Sell Strategy
123 Main Street	\$450,000	Hold	
Coin Collection	\$8,000	Hold	
Vehicles	\$40,000	Hold	

Navigation Menu: Case Setup, Case Data, Personal Data, Dependents, Risk Tolerance Profile, Income - Client A, Income - Client B, Direct Income Source, Taxes Withheld, Income Tax - Client A, Income Tax - Client B, Expenses, Assets, Stock Options, Liabilities, General Insurance, Life Insurance, Disability Insurance, LTC Insurance, Retirement, Education Goals, Accumulation Goals, Survivor Cash Needs, Survivor Inc. Needs, Disability Inc. Needs, Estate, **Asset Distribution**, Distribution Order, Reallocation, Notes, Client Objectives.

Figure 19: Case Data – Asset Distribution

Comprehensive – Reallocation

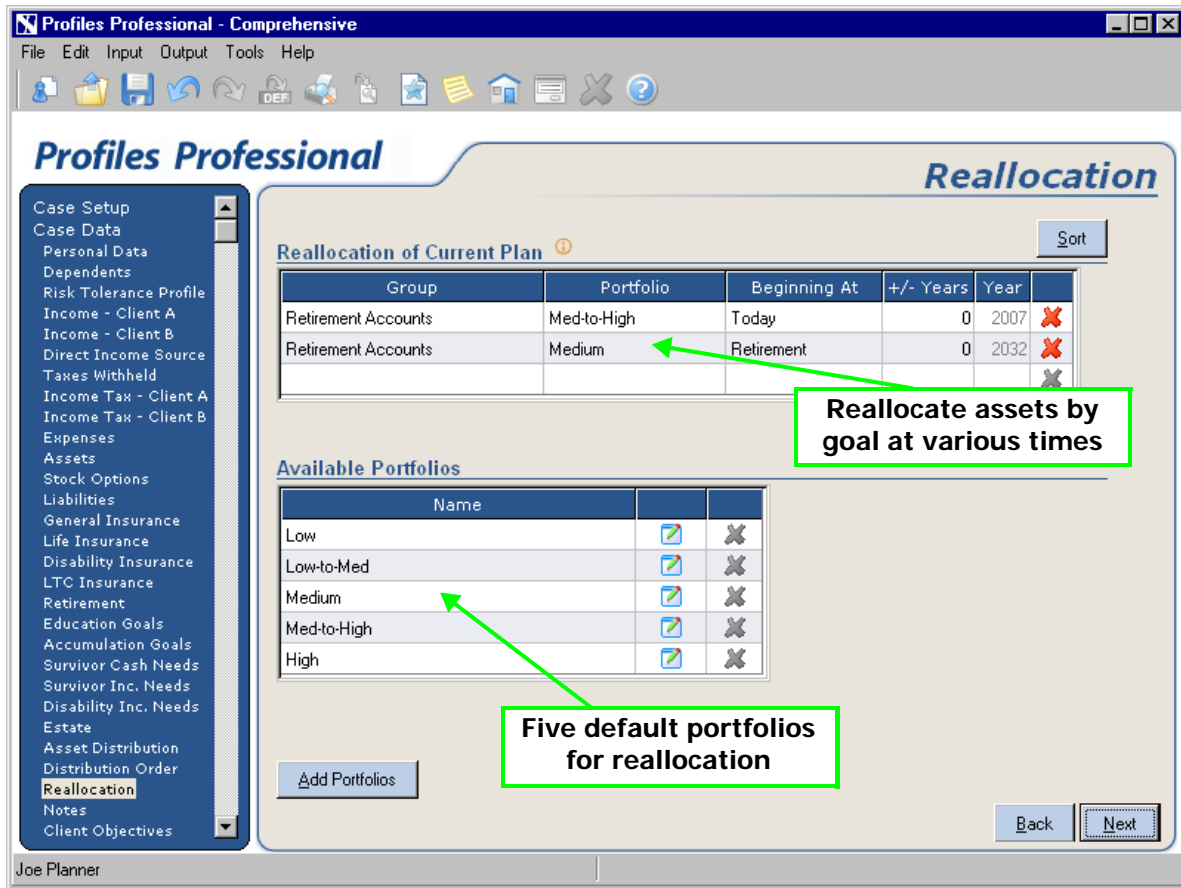


Figure 20: Case Data – Reallocation

Exercises

Exercise 1: Using a Preview case

The following questions will help you navigate in Profiles Professional and create a client case in *Preview* mode.

1. When you start to create a new case there are four types of cases available in Professional. Which of the following is NOT one of the options?

Hint: You can create a new case from the toolbar or the navigation bar.

- a) *Preview* – A preliminary assessment of survivor, education, and retirement needs
 - b) *Express* – A goal-based analysis for each objective that requires minimal input
 - c) *Personal* – A qualitative analysis of your clients' financial concerns
 - d) *Comprehensive* – A goal-based analysis for clients in their “accumulation years”
2. If you wanted your clients to fill in their personal detail on a form that matches the data input screens, where would you find the form?
 - a) *File* menu
 - b) *Input* menu
 - c) *Tools* menu
 - d) *Case Setup* screen
 3. Create a new *Preview* case and use your own personal data or hypothetical data.
 4. Generate a client presentation using the first five output pages available. How would you use the results in a client presentation?

Exercise 2: Review features of a Comprehensive case

In this exercise you will review features available in a *Comprehensive* case.

1. Upgrade your case to a *Comprehensive* case.

Hint: Case defaults are found under *Planning Preferences*.

2. Which screen allows you to define a long-term inflation rate for your case and mortality ages for your clients in a *Comprehensive* case?
 - a) *General Preferences* screen
 - b) *Needs Preferences* screen
 - c) *Solutions Preferences* screen
 - d) *Profiler Preferences* screen
3. When you enter incomes into a case, you should enter gross pre-tax amounts.

Hint: Use the Help if you need to.

- a) True
 - b) False
3. You can specify the retirement need and the age when your clients will begin receiving Social Security on the *Retirement* screen.

Hint: Use the Help if you need to.

- a) True
- b) False

Answers to exercises

Exercise 1: Using a Preview case

1. c) Personal. The fourth case type is *Detailed Cash Flow*.
2. c) *Tools* menu.
4. Answers will vary.

Exercise 2: Features of a Comprehensive case

2. a) *General Preferences* screen.
3. a) True.
4. a) True.

