




The PMP Financial Research Practice Infrastructure Assessment

Carefully answer the questions in each step as accurately as possible. Select the "Next" button at the bottom of each step to move on. Select "Finish" at the bottom of the last step to view your results.

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Practice Infrastructure Assessment Results

Thank you for completing your Practice Infrastructure Assessment.

Legal Overview

Items in place:

- Operating Agreement
- Partnership Agreement
- Buy Sell Agreements
- Outstanding obligations for practice or clients Purchased Agreements
- Broker Dealer Agreements
- Software Agreements

Missing Items:

- Business Organization Structure
- Real Estate Agreement
- Debt Agreements
- Equipment Agreements
- Staff Employment Agreements
- Subscription Agreements
- Partnership Track Agreements

Priority Items:

- **Your Staff Employment Agreement needs to be in place within the next 12 months.**

Financial & Accounting Overview

Items in place:

- Valuation Forecast
- Practice Budget and Expense Review
- Practice Cost Labor Profit Analysis
- Practice Client Profitability Report

Missing Items:

- Practice Valuation
- Practice Critical Measures
- Practice Tax Analysis

Priority Items:

- **Your Practice Valuation needs to be in place within the next 12 months.**

Employer Overview

Hiring

Required Items

- A background investigation
- An employee agreement defining the roles, responsibilities, compensation and benefits

Items Not Required

- Any unique issues with the potential employee that an owner should be aware of

Regulatory

Understood Items

- The Department of Labor requirements to make sure that you are not unfairly discriminating against this employee even though you may be working in an at-will state.

Items Not Understood

- Broker dealer requirements for the staff person's function and role, licensed or unlicensed
- The NASD or SEC requirements of the staff person's function and role, licensed or unlicensed
- The IRS's view of your role as an employer to comply with taxes, FICA and workman's comp

On-Going Staff

Required Items

- Annual performance reviews are critical to lay the backdrop of employee development and protecting your practice if you should make any changes in the future.
- Compensation reviews so that the employee understands how their compensation

structure is designed.

- The benefits package that you have provided and its value.

Items Not Required

- All items required.

Firing or Termination

Required Items

- No employee should be terminated or fired unless the practice owner has consulted with a specialist to make sure that all the necessary steps have been done to protect the advisor from potential penalties, fines or litigation.
- Your broker dealer has a set of rules and regulations around terminating employees and those must also be review in termination or firing process.

Items Not Required

- Having a complete file so that if there are issues with the terminated employee you will have the appropriate documents available.