

# Who Can You Trust?

By Tammy Flanagan

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The Thrift Savings Plan recently sent [a brochure](#) to agencies offering guidance for choosing vendors for financial planning events.

But federal employees face a similar challenge—finding qualified financial advisors who act in a worker’s best interest as they consider what to do with the TSP after retirement and how to manage the TSP in a volatile market. Federal employees have done a great job of saving a portion of their salary in the TSP, but now that many are approaching retirement, they aren’t always certain about how to handle their savings. There are many resources available. It might be tempting to hire someone to take over the management of your retirement savings, but you need to be able to distinguish fact from fiction and reliable information from scams.

Lesson No. 1: If you are going to hire someone to assist you with your financial planning for retirement, it is important to hire someone who is both qualified and who will look out for what is in your best interest, not their best interest. This is called a “fiduciary” responsibility.

There is a clearinghouse of information at [www.investor.gov](http://www.investor.gov) that can help you learn more about investing and how to hire a financial planning professional. For example, when engaging in the services of a professional advisor, do you know what the initials behind their name stand for and what they had to do to earn them? I work with many financial advisors and every one of them has earned their professional designation based on their educational background and skills.

During a webinar hosted by the Thrift Savings Plan and the Securities and Exchange Commission, a story was related about a “free-lunch” seminar where the speaker had the initials “HSD” behind his name. When asked what those initials meant, the seminar speaker replied “high school diploma.” While a high school education is important, that’s not qualification most people are looking for when seeking a certified financial advisor.

What’s interesting is that there is no professional designation for federal retirement benefits specialists like me. Most retirement specialists who work at federal agencies have the title of Human Resources Specialist–Employee Benefits. They do not put the initials “HRS-EB” behind their name. Based on my own 30 years of personal experience, it doesn’t take a rocket scientist to be a good benefits specialist (which is good news for me!). It does take someone willing to learn, pay attention to details, and spend the time necessary to assist federal employees with a smooth transition from employee to annuitant. A recent job posting for a human resource specialist at the Federal Deposit Insurance Corporation stipulates that applicants must have specialized experience providing technical expertise planning and administering Federal employee benefits services and programs in at least three of the following areas: retirement, health and life insurance, vision and/or dental insurance, survivor's benefits, TSP or 401K savings plans, or flexible spending accounts. According to the FDIC job posting, there is no substitution of education for the experience for this position. If you want to find out how much experience your human resources specialist has, ask them.

## **Don’t Be a Victim**

Federal employees aren’t immune to scammers. For a real life example, [read the summary](#) about Kenneth Wayne McLeod, who was to Federal employees what Bernie Madoff was to private sector investors. You can use the following tools to help research financial planners’ credentials and background:

- [Broker Check](#)
- [Investment Advisor Public Disclosure](#)
- [Professional Designations Database](#)
- [State Securities Regulators](#)

If you want to attend a retirement planning training event, check with your agency to find out what's available through agency-sponsored training programs. If you would like to attend training designed specifically for federal employees and is accessible to all federal employees, I hope that you will consider attending the latest [Plan Your Federal Retirement](#) event coming up later this month. Micah Shilanski and I have created a new webinar series, titled, "[Secrets of Successful Retirement](#)." The series will run for three weeks beginning on Oct. 15.

I chose to partner with Micah for several reasons. First of all is his knowledge of federal employee's unique financial planning needs. Micah has thoroughly studied the structure of the FERS and CSRS retirement systems and he can explain complicated topics in an easy to understand manner. And [his qualifications](#) are clearly spelled out for everyone to see.

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<http://www.govexec.com/pay-benefits/retirement-planning/2015/10/who-can-you-trust/122483/>