

The CPA Advantage Series Video #8 | Know What You're Paying for – and Why | Video Transcript

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Beth Germann:

One thing that is interesting about many broker-dealers is they aren't really always transparent or upfront about what some of the fees or commissions look like. It is part of the professional standards that we, as CPA/PFSs, are required to adhere to is that we are completely transparent about fees.

As accountants, we want to be honest. We want to have an open relationship with our clients, and that's part of what goes with that is being upfront and clear about what the fees look like and not hiding them as sometimes investment advisors do.

Andy Bertke:

Back what we were talking about our standards, we're operating under two levels of standards. One the fiduciary standard under the SEC, and also under our professional guidelines under the AICPA. So it causes us to be abundantly transparent. And when you look at our invoices, they're very straightforward.

We show the client what we started with. We show the increase from income, interest, and dividends. We show the increase in unrealized gain. We show the decrease from unrealized losses. And we show our fee. It's one line. "This is what we're charging you." There are no other fees. There are no mutual fund fees. No other fee whatsoever for trading. That is what you pay us.

You don't have to dig back into your statement to find out what you're paying. And again, as accountants, we want to be transparent. I mean, the combination of the CPA investment advisor is you get an abundantly transparent person working for you in your best interest.