

# The Ultimate Financial Planning Checklist (Draft)

How I would use this document:

- Scan it through
- Many of these ideas will apply to you. But some will not.
- Don't solve all your issues at once. Focus on the ones that stick out the most.
- In general, the list progresses:
  - General to specific.
  - Young to old.
- The list is *not* in priority order.

This is a checklist meant to trigger ideas. *Good* ideas.

The *real* work comes afterwards in chasing down effective answers for your life.

*Is something missing? Do you see an error? Please send a message via email [jesse@bestinterest.blog](mailto:jesse@bestinterest.blog)  
on Twitter - [@BestInterest\\_JC](https://twitter.com/BestInterest_JC)  
or on Instagram - [@bestinterest.blog](https://www.instagram.com/bestinterest.blog)*

- Establish a monthly budget and track your spending
- What's your monthly cash flow?
- Build a \$1000 - \$2000 emergency fund
- ...then later build an emergency fund of 3-6 months' expenses
- Get full employer match on 401(k) [or other employer retirement account]
- Contribute full 401(k) amount [or other employer retirement account]
- Contribute to (then maximize) IRA account
- Obtain health insurance and contribute to HSA if in high deductible health plan (HDHP)
- Manage debt - remember: "debt avalanche" is always most mathematically effective
- Major changes. Look a year behind and a year ahead - what major changes have/will happen in your life? What are the financial impacts?
- Identify future goals, determine required funding (house, car, travel, education, etc).  
Look up "SMART" goal-setting
  - Next year?
  - Next 5 years?
  - Next 10+ years?
- Draft estate documents with attorney:
  - A will
  - A power of attorney
  - A healthcare proxy
- Plan estate's finances, if applicable

- Are your investment(s) aligned with your goals? Look up “RRTTLLU” framework.
- Obtain life insurance, if needed. (Do people in your life depend on your income?)
- What other kinds of insurance do you need? Disability? Illness?
- Do you need to save for future education costs?
- Review credit report annually
- What do your current & future taxes look like?
- When did you last ask for/discuss a raise?
- Locate and list all financial accounts, bank accounts, and insurance policies. Find:
  - Owner, institution, and account number
  - Approximate balance and date viewed
  - Beneficiaries
  - SSN or TIN associated with account
  - Rough asset allocation
- Any pensions, annuities, or long-term care insurance policies?
  - What happens to each upon death? (stays, stops, goes up/down?)
  - For LTC insurance, identify:
    - Waiting Period
    - The length of payout
    - The daily payout
    - The inflation ride
- Obtain/locate all real estate deeds
- Obtain/locate all automotive titles
- Identify other valuables, collectibles, jewelry, etc
- Important ages, and why
  - 26: can remain on parents’ health insurance until 12/31 of year you turn 26
  - 50: can make “catch up” contributions to retirement accounts
  - 50: public-service employees can use the “rule of 50” (see “rule of 55” below)
  - 55: the “rule of 55” for penalty-free 401k/403b withdrawals (don’t mess this up)
  - 59.5: penalty-free IRA and 401(k)/403(b) withdrawals
  - 62: can file for Social Security benefits (at lower rates)
  - 63.5: the “bridge to Medicare” - COBRA benefits can cover 18 months til age 65
  - 65: eligible to sign up for Medicare three months before turning 65
  - 65: withdraw HSA funds penalty free, even if *not* for medical reasons
  - 66-67: reach “full retirement age” for Social Security benefits
  - 70.5-72: Required Minimum Distributions (RMDs) begin
- Ongoing financial education - what’s stressing you out, and will further education alleviate that stress?
- What’s your marginal tax rate? Does Roth IRA or Traditional IRA make more sense for you?
- Do you qualify for a backdoor Roth IRA?

- Can you consolidate disparate accounts (e.g. old 401k)?
- Can you tax loss harvest this year?