



# Bring more value to your clients through People Advisory Services (PAS)

[karbonhq.com](https://karbonhq.com) | [guideline.com](https://guideline.com)



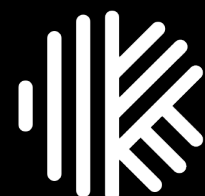


*“Don't be afraid to give advice. As accountants we were trained to be conservative and never give a straight answer. That just isn't going to work in today's world. Clients want advice / answers, and it's your duty to help them.”*

— Jason Ackerman, BNA CPAs & Advisors (CPA)



- 1. Close down any open apps**
- 2. Ask and we'll answer**



# Meet your hosts



**Tom Gabbert, CPA**

Milestone  
Founder / CEO



**Richard Lane**

Guideline  
Accountant Advisor



**Ian Vacin**

Karbon  
Chief Customer Officer





# Tom Gabbert, CPA

- Pioneer and thought leader in outsourced accounting industry.
- Founded mAccounting in 2003 (sold to inDinero in 2019).
- Experience in a wide variety of industries, with particular emphasis in B2B Tech & Professional Services.
- Raised over \$250M in growth capital (Seed, Series A, Series B).
- BBA - University of Notre Dame (Accounting)
- Diehard Cubs fan

## Milestone Business Solutions

- Learn more: [www.milestone.inc](http://www.milestone.inc)





# Maximize savings. Reduce headaches.


Get a low-cost, full-service 401(k) for your business and your clients

Ready to learn more?

Work email address



Have a question?

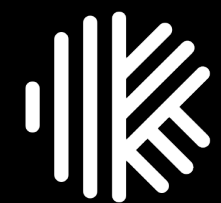
 (888) 588-4698

**A modern 401(k)  
built for small  
businesses**

Guideline provides a turnkey, hassle-free 401(k).

We take care of plan administration, compliance, recordkeeping, and more, to make your job easy—and help your clients offer a great 401(k).

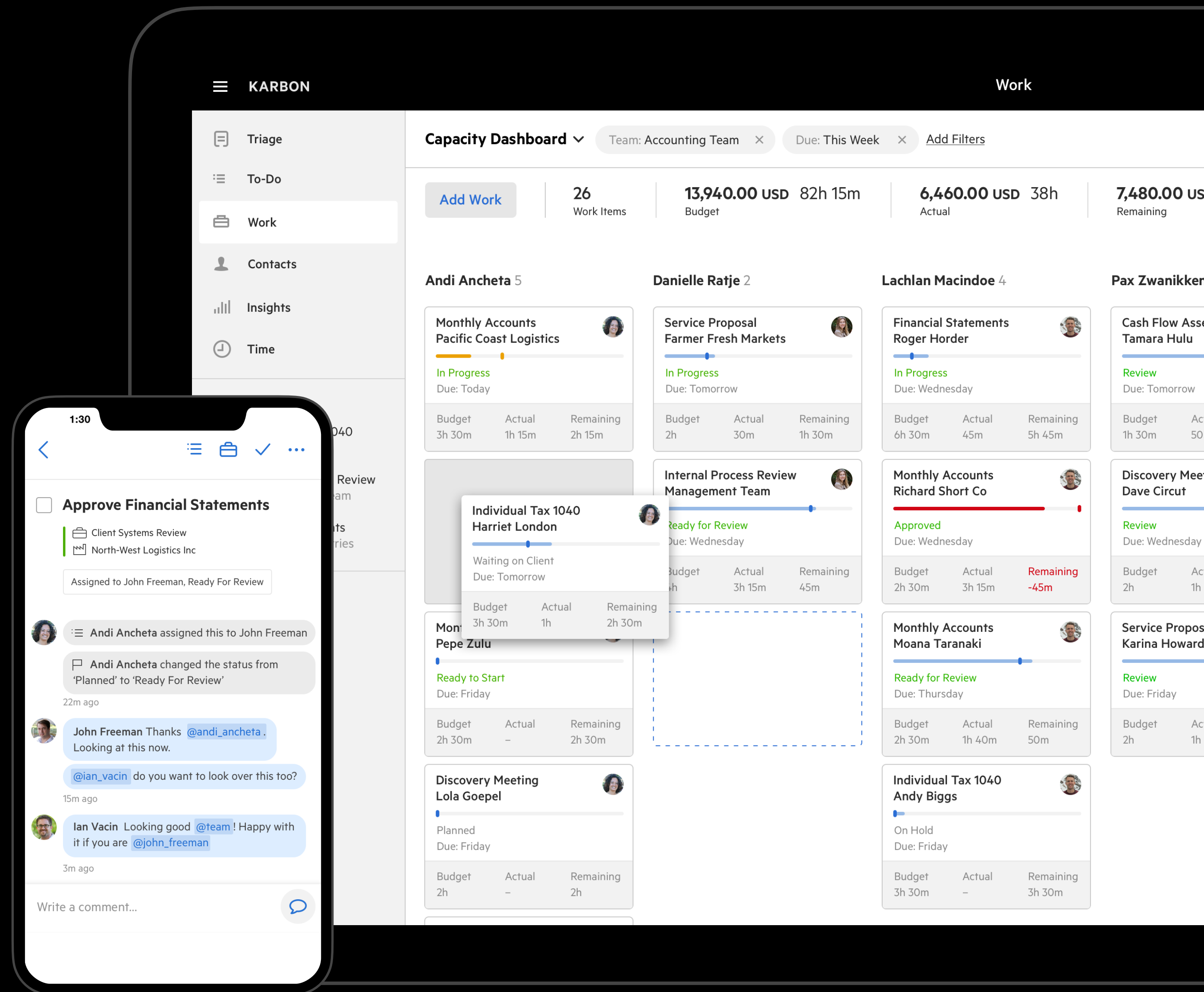




# Work Management Software *for* Accounting Firms

karbonhq.com

GET STARTED



- 1. Overview of PAS**
- 2. How, when & what to transition**
- 3. Start with benefits: 401k**
- 4. Tips & tricks**



*“I believe HR consulting is the next big opportunity for accounting firms. Our clients are asking for it, and the market conditions are right. As trusted advisors, we are well-positioned to fill the void that currently exists.”*

— Tom Gabbert, Milestone, CEO & Founder




**What are people advisory services (PAS)?**  
**A blend of financial expertise with people-focused advice that helps your clients succeed.**







— *Gusto, People Advisory Certification*





People advisory services are an emerging opportunity.

 [Why Gusto](#) [Payroll and more](#) [Pricing](#) [For Accountants](#) [Resources](#) [Search](#) [Sign in](#)

## Your clients need more than an accountant. They need an advisor.

The accounting industry is changing. As a people advisor, you combine your financial expertise with people-focused advising. Gusto has the tools to help you do just that.

[Become a partner](#)

Support your clients.

Transform your firm.



**What's changed?**  
**Financial advisory to people advisory.**





# Examples of HR advisory projects


- Full HR systems audit
- Talent acquisition strategy
- Vendor vetting & selection
- Software selection & implementation
- Employee engagement strategy
- Employee learning & development
- Career path development
- Compensation strategy
- Incentive planning
- Equity planning
- Performance management
- Succession planning
- Affinity groups
- RIF execution
- Staffing planning
- Change management

# Overview of people advisory services

- Compliance
- Employee administration
- Compensation & benefits
- Talent acquisition
- Performance management
- Employee engagement
- HR metrics



# Example of HR advisory service offerings: [milestone.inc/hr-support](https://milestone.inc/hr-support)

 MILESTONE


Accounting ServicesHR ServicesAboutContactBlog

Tell Me More

### We offer three options for recurring monthly services

#### HR On Demand

\$100 monthly subscription




##### Real time access to HR experts

Let's face it, HR issues can be challenging. Even if you have someone who manages your HR function, there are often times when you need to call an expert for advice. That's why we offer our HR on Demand program. We give you access to experienced HR professionals who can take a call or respond to an email to give you the guidance you need, when you need it. Whether it's a second opinion on a compliance issue, or input on the best way to handle a difficult termination, we've got you covered.

[Get Started](#)

#### Foundation

Customized pricing starting at \$300 / mo.



##### Starter package that includes...

**Compliance**

- Employee files
- I9 compliance
- Standardized HR forms
- Labor law postings
- Employee handbooks
- Policy creation & review


**Employee administration**

- On-boarding
- Off-boarding
- Employee updates
- Internal & external information requests
- Employee investigations

[Get Started](#)

#### Growth

Customized pricing starting at \$1,000 / mo.



##### Foundation services PLUS...

**Compensation & benefits**

- Employee benefits administration
- Pay analysis

**Talent acquisition**

- Recruiting processes
- Recruiting services
- Educational sessions

**Performance management**

- Job analysis
- Manager education sessions
- Performance review coordination

[Get Started](#)



1. Overview of PAS
2. How, when & what to transition
3. Start with benefits: 401k
4. Tips & tricks

# Why now?

## Reasons to make this a focus today.





## *Outsourced Accounting & HR services for Entrepreneurs*

Accounting and HR are more than just necessary back-office functions. With the right leadership and strategic focus, they can help get your company to the next level.

### Accounting Services



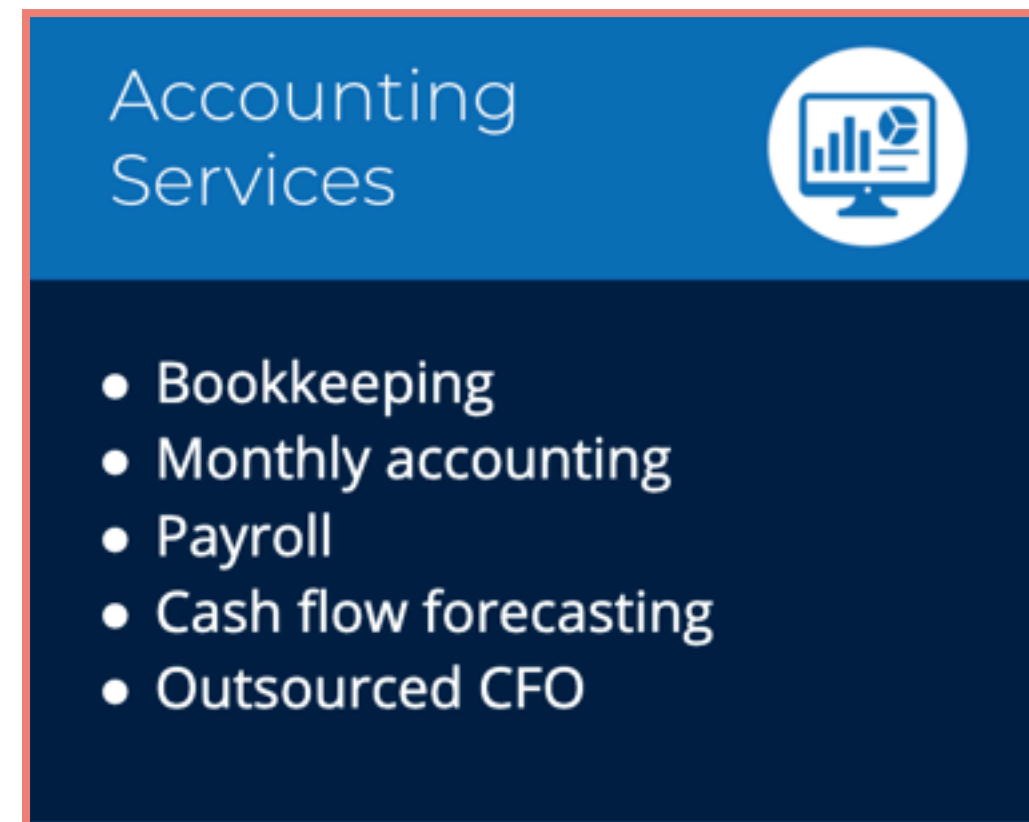
- Bookkeeping
- Monthly accounting
- Payroll
- Cash flow forecasting
- Outsourced CFO

### HR Services



- Compliance
- Employee administration
- Compensation & benefits
- Talent acquisition
- Performance management

# When, how and what to transition



## When

- Now—clients are asking for it, market conditions support it.

## How

- Talk to existing clients (low hanging fruit).
- Reach out to COIs for validation & referrals.
- Staff training/certifications (Gusto People Advisor)

## What

- Quick wins
- Recurring services
  - Tactical
  - Strategic
- Projects



1. Overview of PAS
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3. **Start with benefits: 401k**
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*90% of the 5.8 million American small businesses with 99 or fewer employees do not currently offer a 401(k).*

*And of the 42 million Americans who are employed by these small businesses, 75% do not have access to a retirement plan.*

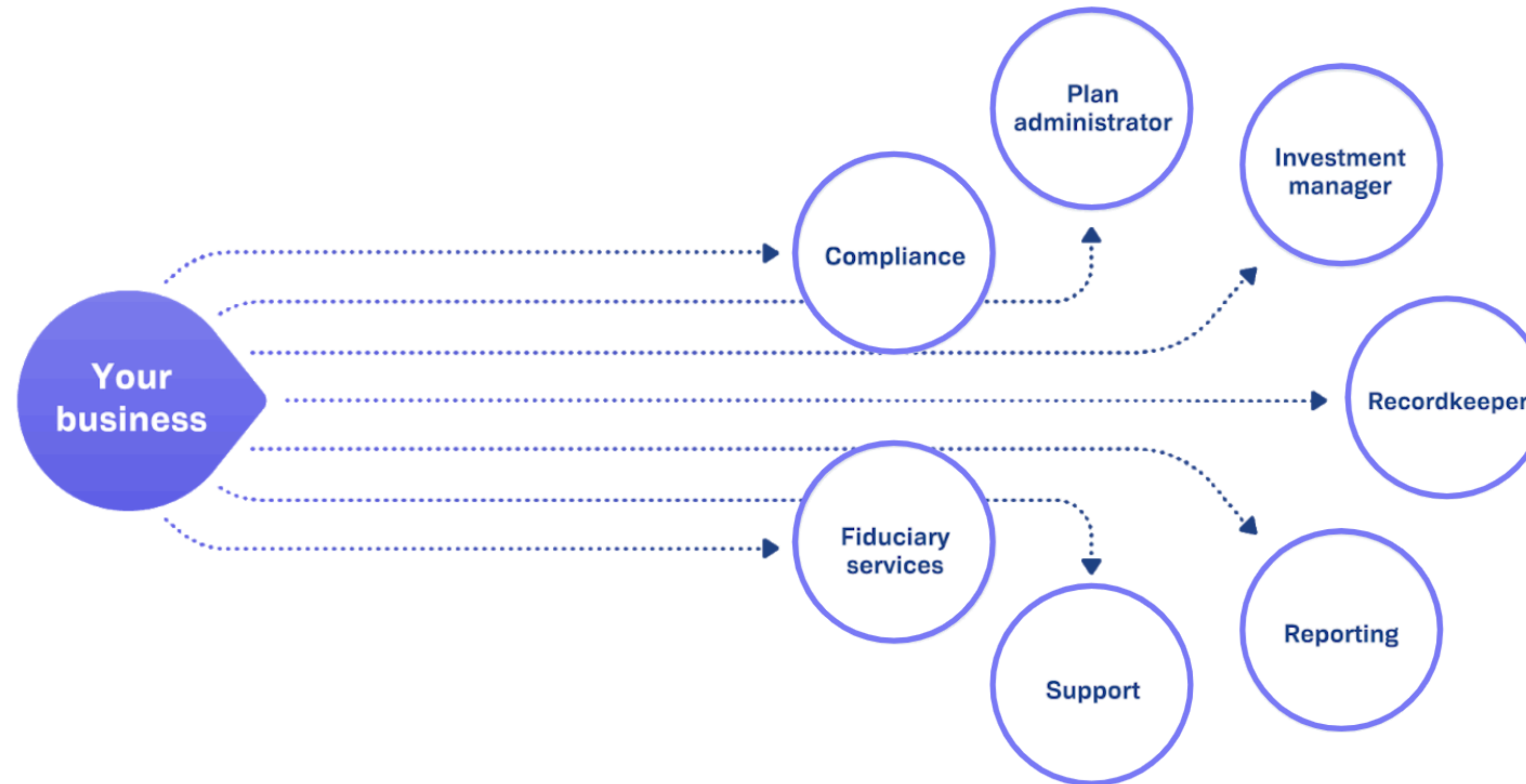




# How to recommend a 401(k) service offering to your clients

- **Analysis:** Identify if and when a 401(k) should be adopted, amended or transferred
- **Choice:** Provide guidance on which vendor & plan design may be right for the client
- **Implementation:** Understand how the client can enable the 401(k) benefit through their existing payroll provider
- **Administration:** Outline what the ongoing administrative process looks like to maintain the 401(k) plan and who's responsible for what
- **Nondiscrimination testing:** Familiarize yourself with the necessary compliance testing that goes into a 401(k) and determine if plan features (such as Safe Harbor) should be put in place to mitigate risk

# The 401(k) ecosystem







# All-in-one 401(k)

- Plan administration
- Compliance Testing
- Recordkeeping
- Investment Management



\*Custodial services for Guideline plans are provided by Benefit Trust Company.



## Attract and retain top talent

Only 10% of companies with 0-99 employees offer a 401(k)



## Employee job satisfaction

Alongside health insurance and paid time off, retirement-related benefits are the top 3 most important employee benefits.



## Tax savings at the individual and company level

Employer contributions aren't subject to payroll withholdings, nor are they taxed as income until distribution. Additionally, employers can deduct contributions to retirement plans up to 25% of total employee compensation!

This content is for educational purposes only and is not intended to be construed as tax advice. Companies should consult a tax professional to determine qualified business tax deductions.

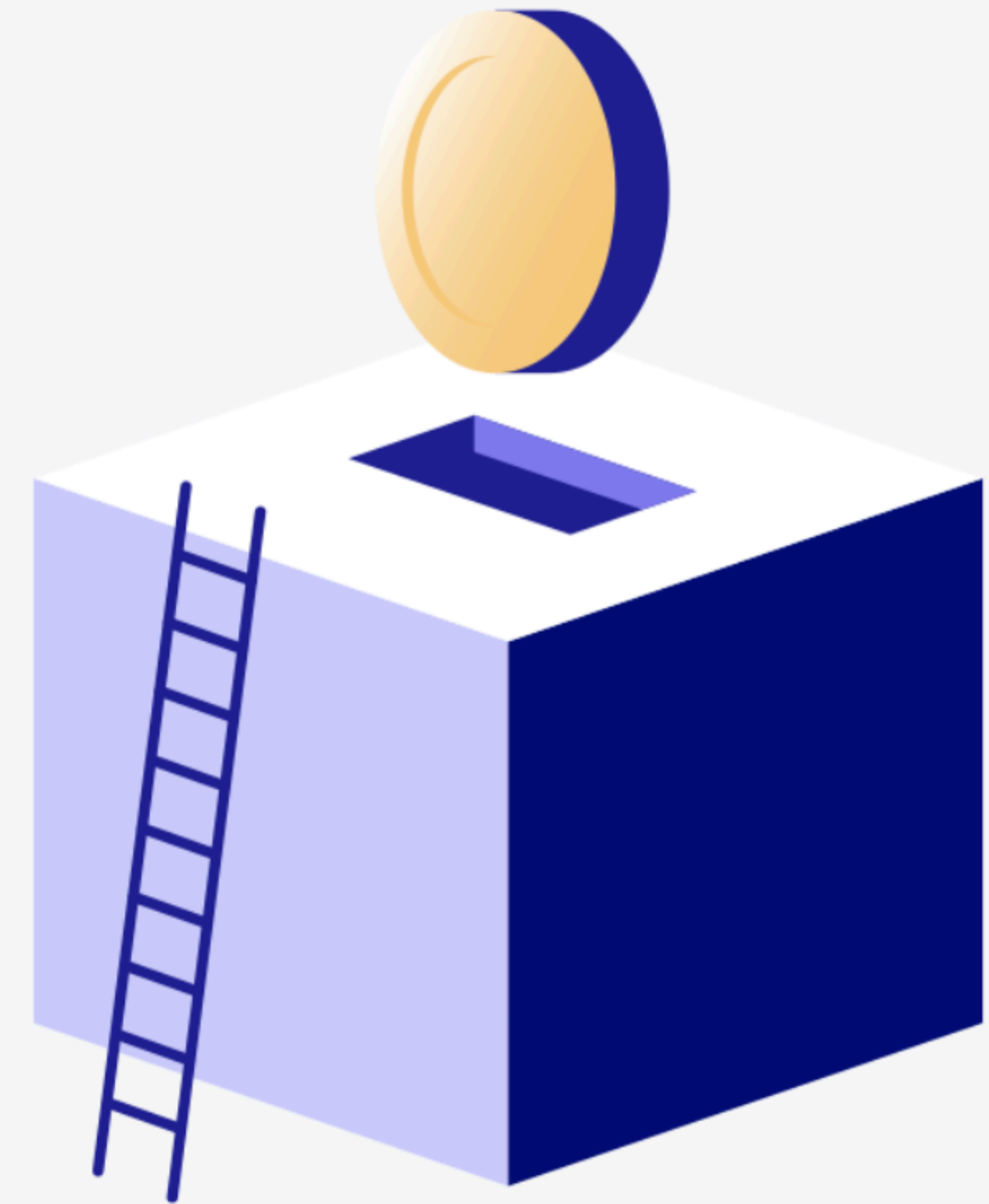


# Employer tax advantages

SMB owners who set up their first retirement plan may be eligible for tax credits. The SECURE Act, which became effective in January 2020, increased the old tax credit maximum of \$500/year to \$5,000/year for up to 3 years. Companies can receive an additional tax credit of \$500/year for up to 3 years by offering auto-enrollment—a standard feature with Guideline plans.

That means over 3 years, companies may receive **\$16,500 in total tax credits** when starting a 401(k)!

*Companies should consult a tax professional to determine the tax credits and deductions they're eligible for them.*



## See how affordable a 401(k) can be

Small businesses starting a new 401(k) plan may be eligible to receive up to [\\$16,500 in tax credits](#) over three years to offset plan administration costs.

Does your company currently offer a 401(k)?

Yes

No

How many employees (including owners)?

5

How many owners of the company?

1

How many employees earned more than \$125,000 last year? (not including owners)

1

Calculate your savings

\$3,355 in tax credits!<sup>3,4</sup>

Cost of your Guideline 401(k) @ \$79/mo

2020

\$237

2021

\$948

2022

\$948

Annual tax credit ^

-\$618

-\$1,355

-\$1,381

Startup credit

\$118

\$474

\$474

Auto enrollment credit

\$500

\$500

\$500

Credit carryforward

\$381

\$407

**Yearly cost after tax credits**

\$0

\$0

\$0

### Additional tax benefits

In addition to the tax credits above, you may also benefit from tax deductions on administrative fees, matching employee contributions, and/or profit sharing.<sup>5</sup> This means you can help your employees save for retirement while helping your business save!

# Calculate administrative costs

Operating cost could be as low as **\$0** in the first three years for businesses with less than 5 FTEs.

Located on our [pricing page](#) this tool helps you understand how your client's administrative costs of a 401(k) might be offset with tax credits.

*This content is provided for informational purposes only and is not intended to be construed as tax advice.*



# When is a company ready for a retirement benefit?

These discovery questions can help you determine which client might be ready to add a 401(k)



“What are the company’s **current benefit offerings?**”

- Health insurance is the first benefit most companies add; 401(k) is the next



“Has the company **offered a 401(k) plan before? If not, why?**”

- Our integration helps to resolve perceived pain points of 401(k) plans: complexity, expense, administrative burden



“Are the owners looking to **contribute to their own retirement?**”

- SMBs and/or non-growing businesses are often motivated by the owner’s own ability to save for his/her retirement



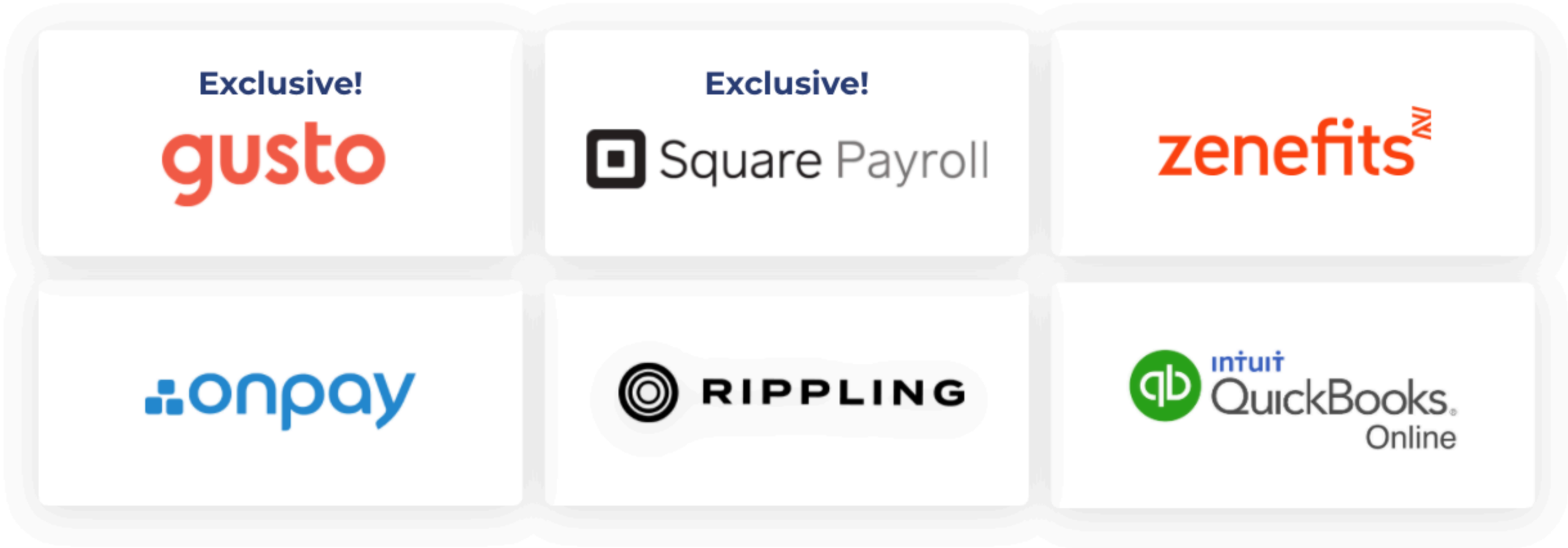
## **Pro tip:** growing companies make for better 401(k) candidates

- Has this company been adding FTEs to payroll lately?
- Do they mention hiring plans in the near future?

# Payroll integrations

At its simplest, 360 integration means we’re talking to our payroll partners all the time—syncing your data daily, often in real time. So when an employee changes their 401(k) contribution, payroll will know. And when you add a new employee, we’ll know, too. Automatically.

**360 integrations**  
Premier partners



**180 integrations**

Businesses using any of the payroll providers listed below can enjoy the same seamless experience with Guideline. Just run payroll, then we’ll sync your transaction and employee details with Guideline:

Intuit Payroll - Intuit Accountants - Intuit Full Service Payroll - iSolved - Justworks  
Namely - Paychex - Paycom - Paycor - Paylocity - TriNet

Businesses who use payroll providers or services not listed above can still enjoy an affordable 401(k) through Guideline. If you have questions about what will be required to sync Guideline with your client’s payroll provider, please email your accountant advisor.



# Fiduciary status at no additional cost

## ERISA 3(16) Plan Administrator

As a plan fiduciary, we are responsible for day-to-day plan administration and government filings.

## ERISA 3(38) investment manager

We are responsible for vetting and selecting quality investments to help minimize expenses and maximize retirement savings.

*Guideline's 3(16) fiduciary services are only available to clients who utilize an eligible payroll provider.*





—  
But **what really sets Guideline  
apart** is our approach to  
**fees** and **investments**

# Simple, affordable pricing

## Monthly pricing ⓘ

**\$39** base fee

**+\$8** per participating employee

- ✓ Full-service 401(k)\*
- ✓ 3(16) and 3(38) fiduciary
- ✓ QuickBooks Payroll integration
- ✓ Live US-based support
- ✓ Employee onboarding
- ✓ Low-cost mutual funds
- ✓ Simple employee & employer dashboards

Add these premium features for  
an additional \$60/mo

- ✓ Dedicated account manager
- ✓ New comparability profit sharing
- ✓ Customizable financial & billing reports

*\*See our full fee disclosure [here](#).*



# Managed portfolio options

Participants can choose from **40+ low-cost mutual funds** including Vanguard and DFA.

Experienced participants can create **custom portfolios** using our carefully vetted investment selections.

Overall, **93%** of Guideline participants select our recommended managed portfolio option.

Very Aggressive

Aggressive

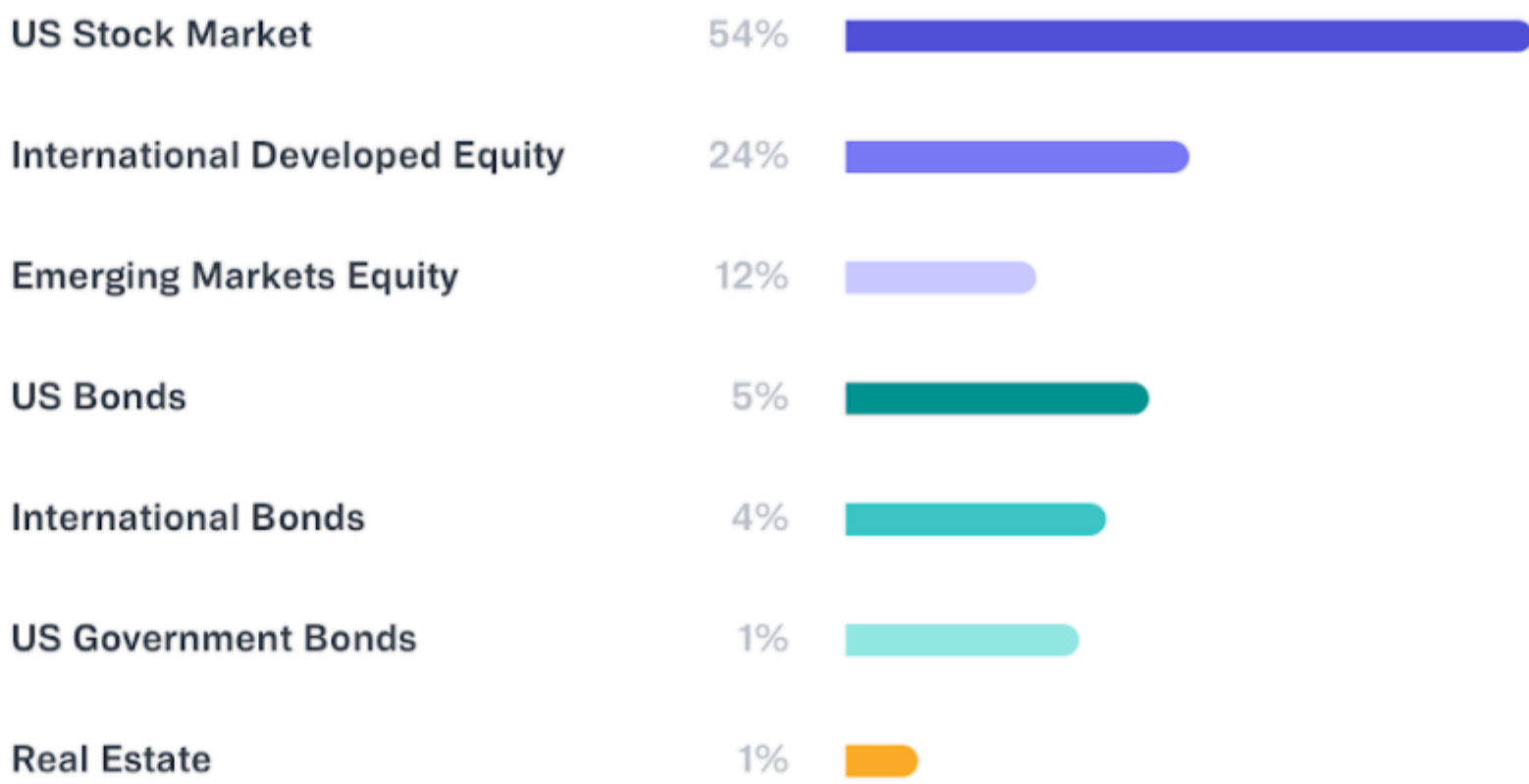
Moderately Aggressive

Moderate

Moderately Conservative

Conservative

95% Stocks, 5% Bonds



## No added participant fees on investments\*

### Guideline

**0.067%\*\***

Mutual fund expense ratio  
(Charged by Vanguard, DFA,  
and other fund managers)

vs.

### Traditional 401(k) Providers

**1.68%**

Average expense for a  
typical 401(k)\*\*\*

\*While there are no added participant fees on investments, there are employee-initiated transactions including loan and distribution fees. Participants who end employment will be charged a monthly maintenance fee. See [full list of additional participant fees](#).

\*\*Represents the blended average AUM fees for the funds in Guideline's managed portfolios. A custodial AUM fee also applies, however custodial fees currently are paid by Guideline.

\*\*\* The average investment expense of plan assets for 401(k) plans with 25 participants and \$250,000 in assets is 1.68% of assets, according to the 20th Edition of the 401k Averages Book, with data updated through September 30, 2019, and is inclusive of investment management fees, fund expense ratios, 12b-1 fees, sub-transfer agent fees, contract charges, wrap and advisor fees or any other asset based charges.

# How much can one save with a Guideline 401(k)?

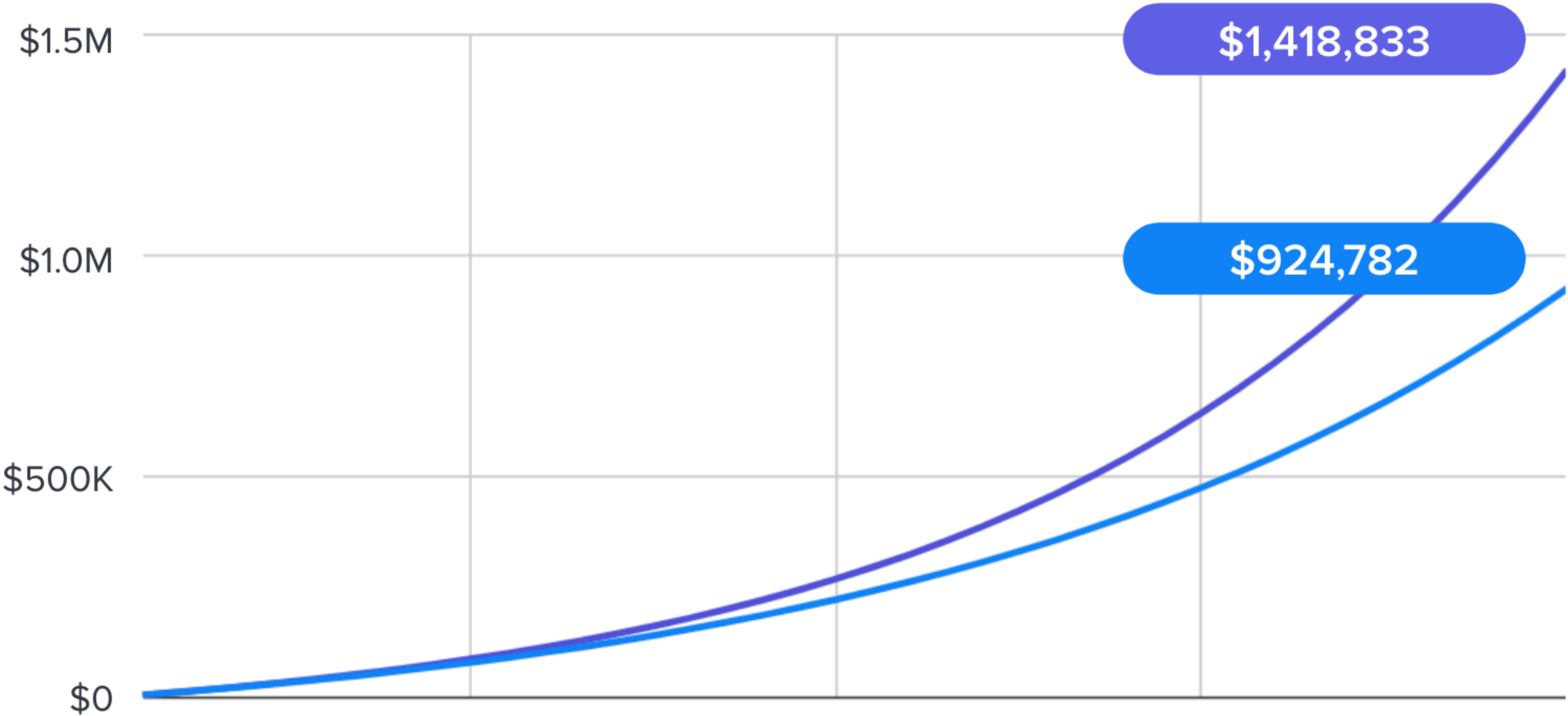
## Why fees matter in your 401(k)

All investments have fees, no matter where you invest. You won't find any financial institutions who will work for free, but some will charge more than others.

When everything else is equal, higher fees can have a huge impact as they compound over time.

The potential impact of fees on retirement savings

Based on annual contributions of \$5,750 over a 40 year career, with a 7.6% annual return.



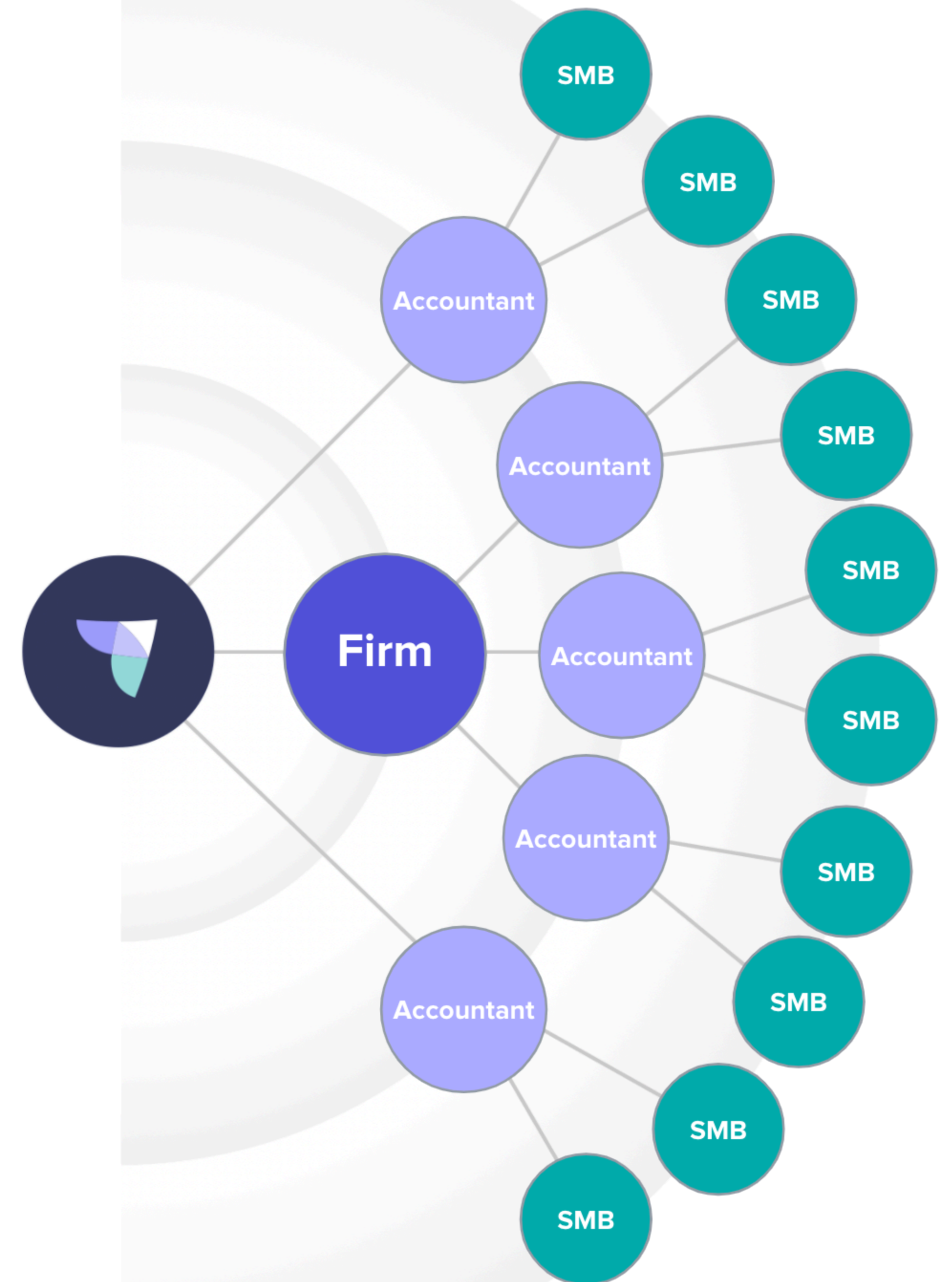
The graph above is hypothetical and does not represent actual performance results of Guideline's portfolios. It is provided for illustrative purposes only and is not intended to constitute investment advice nor an assurance or guarantee of future performance. Investing involves risk of substantial loss as investments may lose value. The returns presented in the graph above are based on the historical performance of the S&P 500 index, and represent returns for time periods that preceded Guideline's portfolios. As such, they may not reflect the impact that material economic and market factors might have had on Guideline's decision-making if Guideline was managing portfolios during such time periods. The returns presented represent the hypothetical returns achieved by two funds achieving the same underlying performance, net of management fees of 1.68% and 0.067%. \$5750 in annual contributions represents the average annual contributions made by participants in Guideline's employer-sponsored 401(k) plans. A 40-year career is the length of a career that begins after college and ends with social security eligibility. 7.6% annual returns are based on the historical performance of the S&P 500 and its predecessor indices from December 31, 1928 to December 29, 2017. 1.68% represents the average investment expense of plan assets for 401(k) plans with 25 participants and \$250,000, according to the 20th Edition of the 401k Averages Book, with data updated through September 30, 2019, and is inclusive of investment management fees, fund expense ratios, 12b-1 fees, sub-transfer agent fees, contract charges, wrap and advisor fees or any other asset based charges. 0.067% represents the blended average AUM fees for the funds in Guideline's managed portfolios.



# 13,000+ plans, \$2.5 billion assets under management

Accountants can:

- Request & receive customized client proposals
- Design plans on behalf of clients or invite them to join
- Automate administration with the Intuit Quickbooks accounting and payroll software



# See everything in one place

## Designated platform management with a singular point of contact

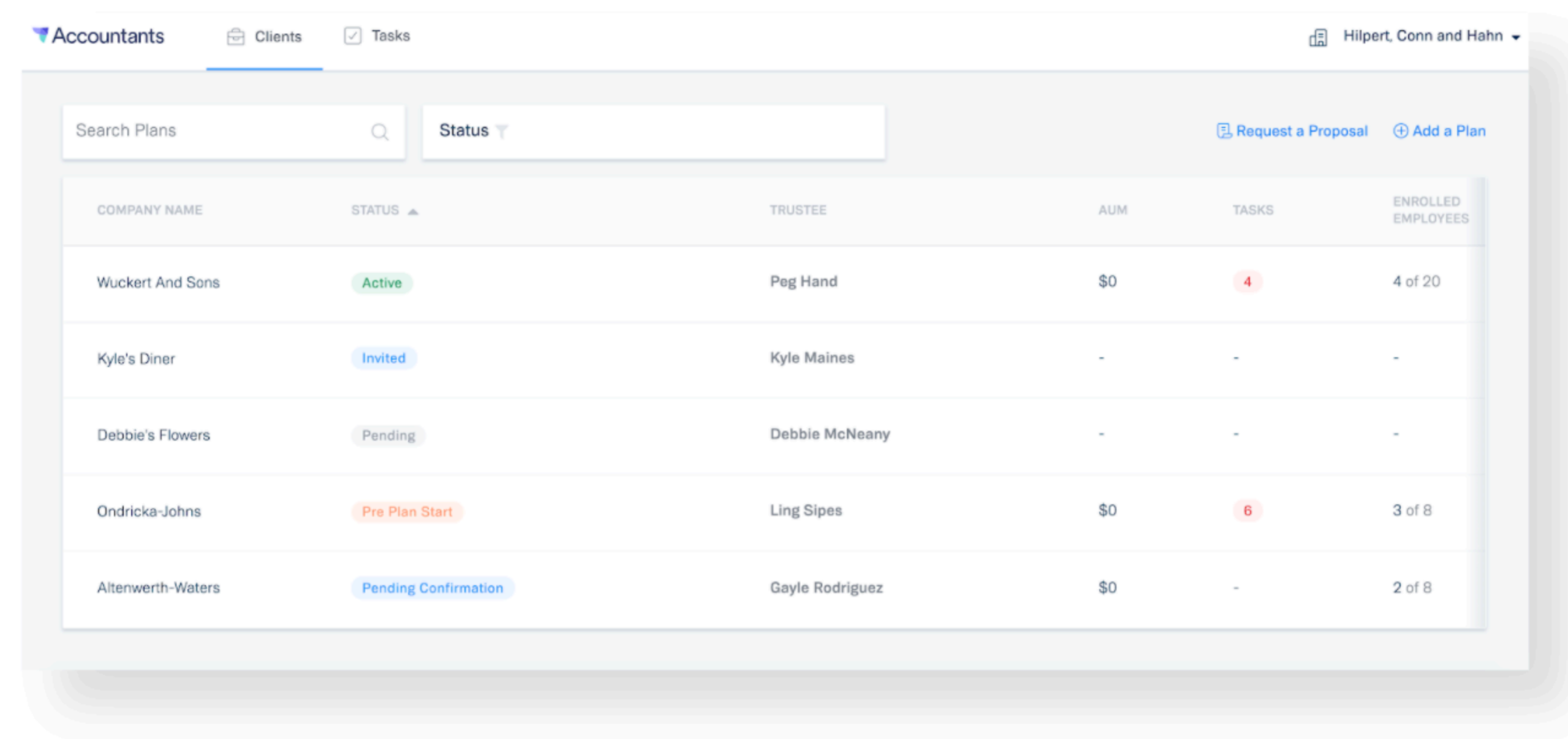
You and your clients will have access to a single point of contact for consultative purposes in getting your clients set up with a plan that fits them best

## Single, easy to manage interface

Manage all client accounts and tasks in a single location, including the ability to request custom proposals tailored to your client

## Handle the process start to finish on behalf of your clients

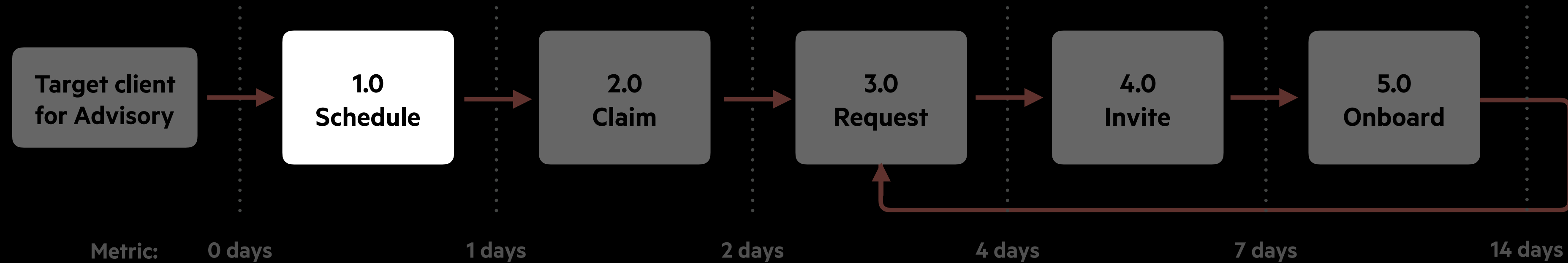
Directly onboard your clients to a Guideline 401(k) plan start to finish on their behalf through your Guideline for Accountants Dashboard



The screenshot displays the 'Guideline for Accountants Dashboard' with a navigation bar at the top containing 'Accountants', 'Clients', and 'Tasks'. The 'Clients' tab is selected. The main content area features a search bar labeled 'Search Plans', a status filter dropdown, and two action buttons: 'Request a Proposal' and 'Add a Plan'. Below this is a table with the following columns: COMPANY NAME, STATUS, TRUSTEE, AUM, TASKS, and ENROLLED EMPLOYEES. The table lists five clients with their respective statuses, trustees, AUM values, task counts, and employee counts.

| COMPANY NAME      | STATUS               | TRUSTEE         | AUM | TASKS | ENROLLED EMPLOYEES |
|-------------------|----------------------|-----------------|-----|-------|--------------------|
| Wuckert And Sons  | Active               | Peg Hand        | \$0 | 4     | 4 of 20            |
| Kyle's Diner      | Invited              | Kyle Maines     | -   | -     | -                  |
| Debbie's Flowers  | Pending              | Debbie McNeany  | -   | -     | -                  |
| Ondricka-Johns    | Pre Plan Start       | Ling Sipes      | \$0 | 6     | 3 of 8             |
| Altenwerth-Waters | Pending Confirmation | Gayle Rodriguez | \$0 | -     | 2 of 8             |

# Guideline for Accountants E2E process

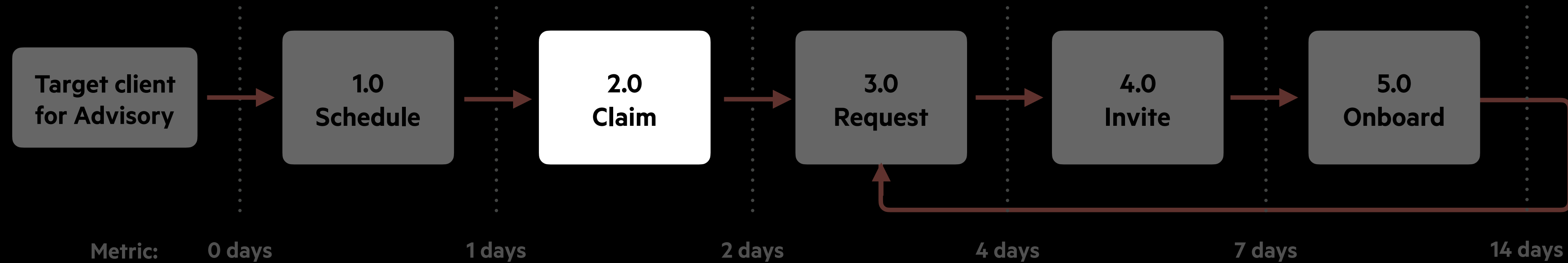


## Schedule:

Schedule a call with a  
Guideline for Accountants  
representative.



# Guideline for Accountants E2E process



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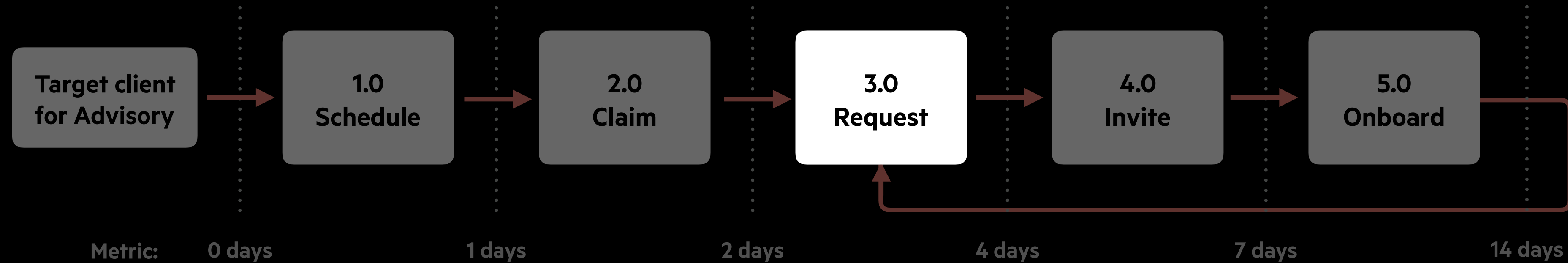
Schedule a call with a Guideline for Accountants representative.

## Claim:

Claim your Guideline for Accountants account.

- Input the appropriate information to set up your Guideline for Accountants Account.
- Verify firm information in the applicable fields.

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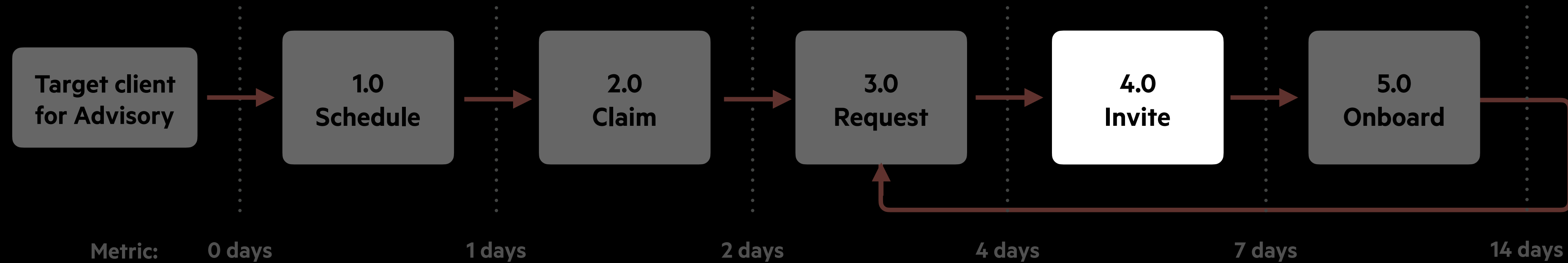
- Input the appropriate information to set up your Guideline for Accountants Account.
- Verify firm information in the applicable fields.

## Request:

Request a Guideline proposal for your client.

- Input requested client information for the Guideline proposal.
- Input requested accounting firm details for Guideline proposal.

# Guideline for Accountants E2E process



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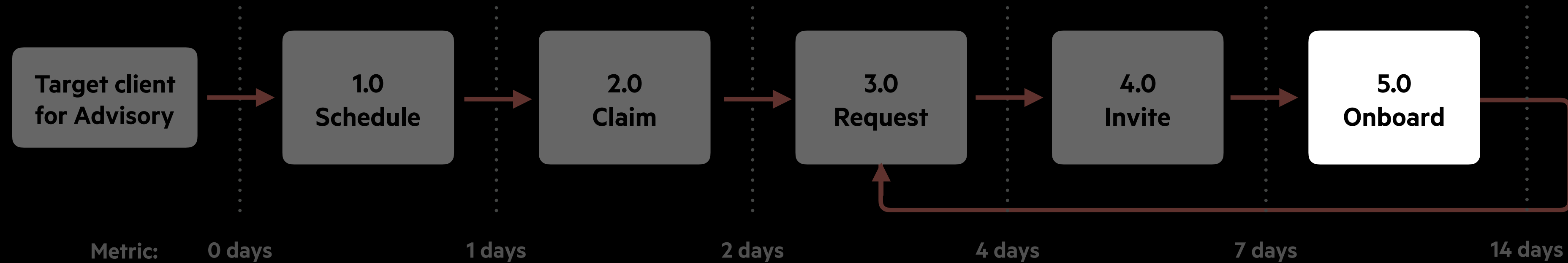
## Invite:

Invite a client to set up their Guideline 401(k).

- Start a new plan.
- Transfer an existing plan to Guideline.
- Connect to an existing Guideline plan.



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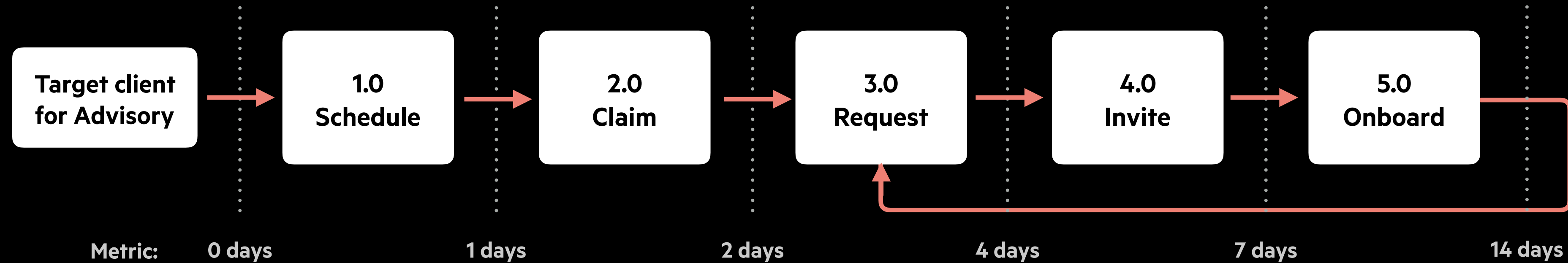
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## Onboard:

Start a new plan.

- Input company info.
- Choose between Safe Harbor or Custom plan.
- Input plan settings & send invite to finalize account.
- Claim account and confirm selections.
- Input client payroll details.
- Finalize plan details and sign plan document.

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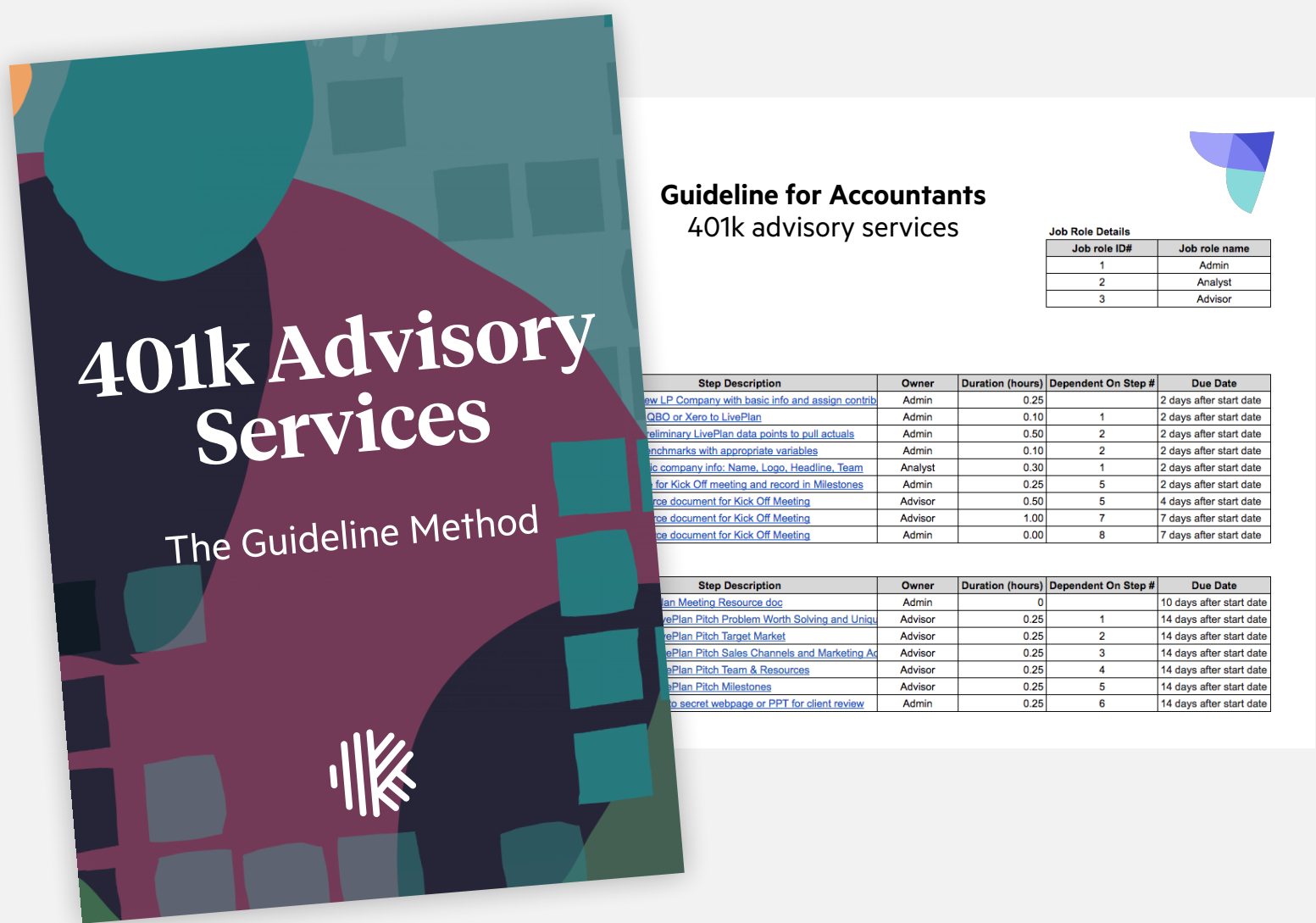
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# Get the template

[karbonhq.com/resources/guideline-401k-for-advisory-services/](https://karbonhq.com/resources/guideline-401k-for-advisory-services/)



## 401k advisory services from Guideline

A Karbon checklist template to set up 401k advisory services with a client using Guideline's process, software & services.

DOWNLOAD



1. Overview of PAS
2. How, when & what to transition
3. Start with benefits: 401k
4. **Tips & tricks**

# Tips & tricks of people advisory services

1. **Start simple:** Focus on compliance services first (e.g. Gusto program).
2. **Extend relationships:** Leverage your existing advisory engagements to include PAS.
3. **Get an expert:** Hire an experienced HR professional for strategic initiatives.
4. **Augment:** Supplement your staff & services with key contractors.
5. **Evolve:** Learn your way, mature your offerings, and establish yourself.

# Tips & tricks of offering 401k services

1. **Keep it simple:** Your clients are already wearing a lot of hats — don't force them to add "retirement expert" to the list. You may want to work with providers that bundle their software with service catering to all of your users, including HR professionals and 401(k) participants.
2. **Fees matter:** The 401(k) industry is riddled with hidden fees, on both an employer & employee level. Make sure you and your clients are aware of all fees associated with every component of the 401(k) offering.
3. **Investments matter:** Guideline cuts participating employees' costs by eliminating layers of fees and using low-cost index mutual funds. This allows us to minimize costs for employees, leaving more money working toward their retirement savings.
4. **Educate, educate, educate:** The 401(k) industry is dense and daunting. Partner with a provider that makes 401(k) plans palatable and easy to understand, to be able to bring that value along to your clients.
5. **Mitigate surprises:** Offering a Safe Harbor 401(k) plan may give your clients happier employees with more access to retirement savings and greater certainty that the plan won't fail most nondiscrimination tests.



# Wrap up



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- 2. How, when & what to transition**
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# Tom Gabbert, CPA

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- Founded mAccounting in 2003 (sold to inDinero in 2019).
- Experience in a wide variety of industries, with particular emphasis in B2B Tech & Professional Services.
- Raised over \$250M in growth capital (Seed, Series A, Series B).
- BBA - University of Notre Dame (Accounting)
- Diehard Cubs fan

## Milestone Business Solutions

- Learn more: [www.milestone.inc](http://www.milestone.inc)





# End of year promotion

Sign up for a Safe Harbor 401(k) by December 31, 2020 and get your first month of Guideline services **for free!**

## Resources:

[Why now is the right time to sign up for a safe harbor 401\(k\)](#)

[2020 safe harbor guide](#)





calendly.com/richardguideline/guideline-karbon

 Guideline for Accountants

Products ·

Pricing

Integrations

Resources ·

Log In

# Maximize savings. Reduce headaches.


Get a low-cost, full-service 401(k) for your business and your clients

Ready to learn more?

Work email address



Have a question?

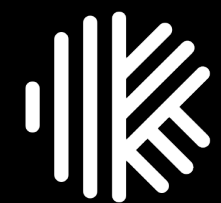
 (888) 588-4698

**A modern 401(k)  
built for small  
businesses**

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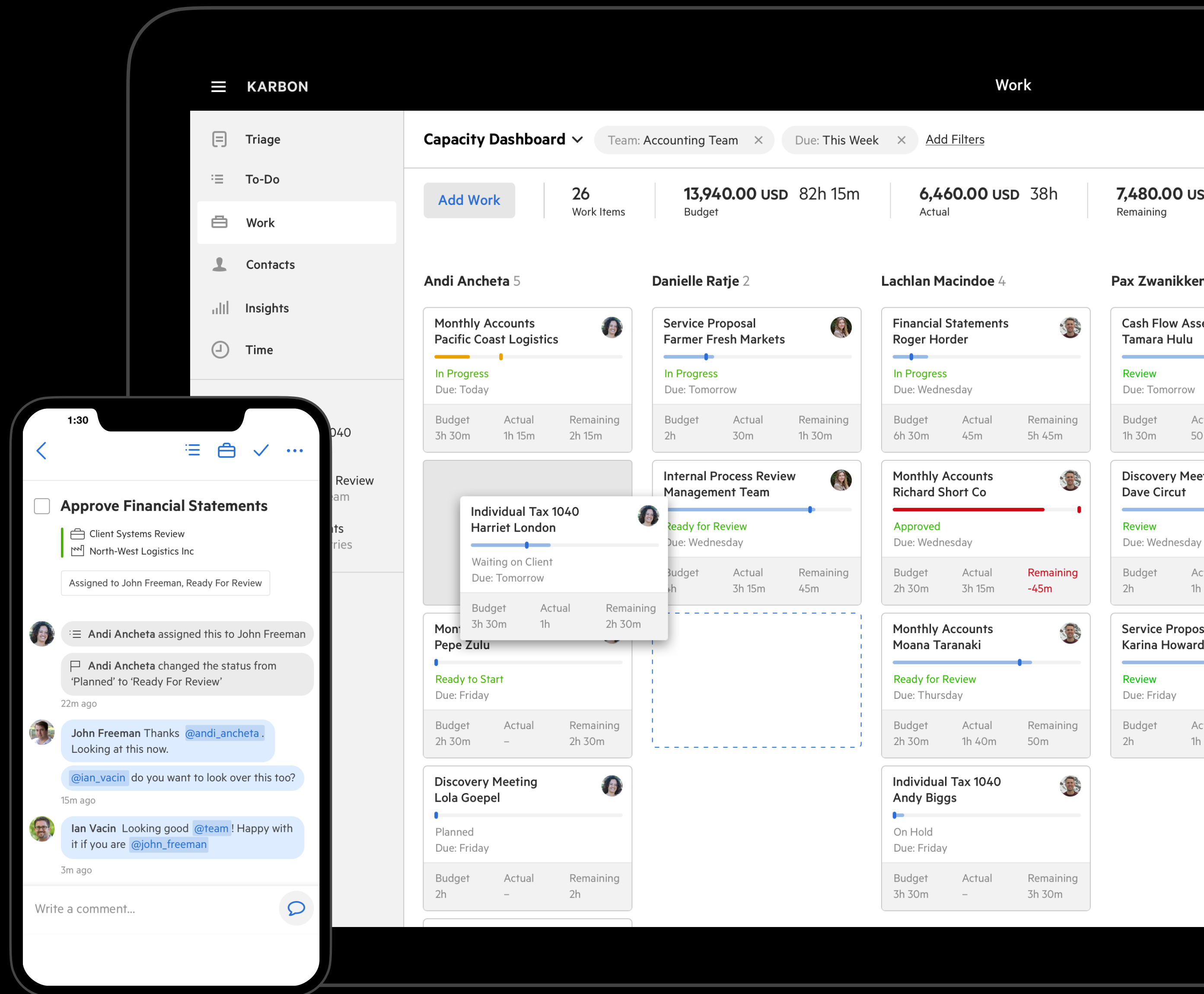




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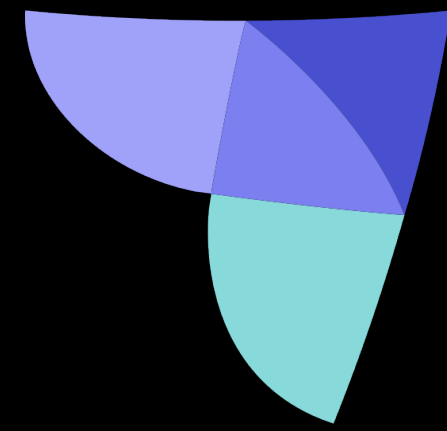




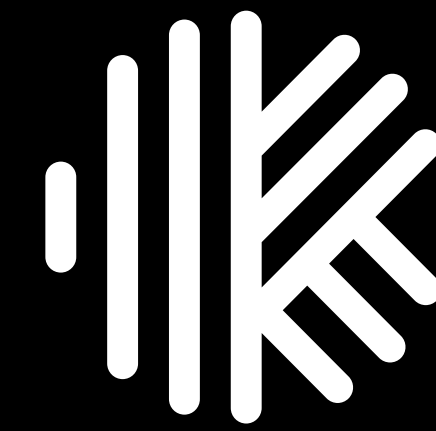
# Questions?



**Thank you!**



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