

# **THE 5-MINUTE 401 (K) CHECKUP:**

**How To Avoid The 8 Mistakes That  
Could Sabotage Your 401(k) and IRA  
Rollover Accounts**

## 5-MINUTE 401 (K) CHECKUP

Greetings!

We're Mike Wren and Nick Neukirch, partners at Legacy Financial Strategies. We serve the financial planning and investment needs of clients in Kansas City and Topeka. Congratulations for taking your **5-Minute 401(k) Checkup**.

Planning for a successful retirement begins with understanding where you are today and where you would like to be when you retire. For most people, this means taking maximum advantage of your 401(k) options.

And avoiding common mistakes.

This means evaluating the investments you have in your current plan as well as those that may be sitting idly with former employers or in IRA rollover accounts.

That's why we created our 5-minute checkup.

By using this tool, you'll be able to walk through a series of simple questions that will help you review your 401(k) and other retirement accounts. You'll be able to tell if you're making any of the most common mistakes.

It's better to catch them before it's too late.

If you discover that you need to make some changes to your plans...no worries. It doesn't take long to get back on track.

Of course, we would be happy to review your checkup results. Please feel free call or email us if you would like to schedule a free consultation.

All our best,

Mike Wren and Nick Neukirch  
Owners, Legacy Financial Strategies  
[www.legacykc.com](http://www.legacykc.com)

# 5-MINUTE 401(K) CHECKUP

## SCORING SYSTEM:

“No” equals 1 point; “Not sure” equals 2 points; and “Yes” equals 3 points.

### BIGGEST 401 (K) MISTAKES

### SCORING

#### MISTAKE # 1

**Are you contributing to your plan each and every pay period?**

The secret to getting ahead is getting started. So the earlier you start investing in your 401(k), the bigger the impact it will have on your retirement nest egg.

Yes

Score

\_\_\_\_\_

No

\_\_\_\_\_

Not Sure

\_\_\_\_\_

#### MISTAKE # 2

**Do your personal contributions maximize your employer’s matching options?**

Your employer’s matching contributions provide you with an almost immediate return on your investments...don’t miss this obvious opportunity.

Yes

Score

\_\_\_\_\_

No

\_\_\_\_\_

Not Sure

\_\_\_\_\_

**MISTAKE # 3**

**Are you taking advantage of the different contribution types your plan allows?**

Many 401(k) plans allow Roth or other post tax contributions in addition to pre tax deferrals. Many now allow total contributions in excess of \$50,000.

Yes      Score

\_\_\_\_\_

No

\_\_\_\_\_

Not Sure

\_\_\_\_\_

**MISTAKE # 4**

**Do your investment allocations take your retirement timeframe into consideration?**

The closer you get to retirement, the less risk you should take in your investment allocations.

Yes      Score

\_\_\_\_\_

No

\_\_\_\_\_

Not Sure

\_\_\_\_\_

**MISTAKE # 5**

**Have you factored your ability to ride the ups and the downs of the financial markets into your investment decisions?**

If a bad day, a bad month, a bad year (or an even longer stretch) causes you to lose sleep because your 401(k) has dropped in value, you need to factor your tolerance for risk into your 401(k) decisions.

Yes      Score

\_\_\_\_\_

No

\_\_\_\_\_

Not Sure

\_\_\_\_\_

**MISTAKE # 6**

**Do you use a proven model for selecting your investment choices or do you just rely on instinct?**

Relying on your gut or the advice of a family member isn't the best way to select your 401(k) options. Seek a system that stands up to the tests of time.

Yes      Score

\_\_\_\_\_

No

\_\_\_\_\_

Not Sure

\_\_\_\_\_

**MISTAKE # 7**

**In choosing your investments, have you looked for the lowest cost options?**

Unnecessary expenses can eat away at your 401(k). Make sure you understand the costs of each of your investment choices.

Yes      Score

\_\_\_\_\_

No

\_\_\_\_\_

Not Sure

\_\_\_\_\_

**MISTAKE # 8**

**Do you know how to login to your 401(k) plan website and make changes to your investments?**

Sounds silly...but you can't oversee and manage your 401(k) if you don't have ready access.

Yes      Score

\_\_\_\_\_

No

\_\_\_\_\_

Not Sure

\_\_\_\_\_

# WHAT'S YOUR SCORE?

ENTER TOTAL HERE

## Understanding Your Score

### If your score is...

...between 21 and 24 points, you are doing a very good job of managing your 401(k) account. Over the next 30 days, get to the point where you can answer yes to all 8 questions.

...between 11 and 20 points, you are doing okay, but there are some potential pitfalls in your 401(k) strategy. If you don't feel as if you can get more yes answers on your own, it may be time to seek some professional guidance from a 401(k) specialist.

...10 or lower, don't panic, but you should immediately seek the help of a 401(k) specialist.

Your 401(k) may be one of your most important assets for retiring successfully. Don't neglect it.

## Do you need help with your 401(k) or IRA rollover?

We would be happy to schedule a complimentary telephone or in-person review. We will answer your questions and help you avoid common retirement planning mistakes.

[SCHEDULE NOW >>>](#)

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