



JOHN BLACKMON, CPA
Partner



CHUCK FIORELLO, CPA
Partner

KEEPING THE PROMISE

to offer staff a sound retirement plan

TBK
Tax & Business Consulting

Partnering with the AICPA and Paychex helps start-up firm deliver

After working at a large firm in Houston, Texas, John Blackmon, CPA along with several of his colleagues, decided to go the start-up route. They opened their own firm with the goal of offering more personalized attention and customized services to their clients. The new firm, TBK (named after the three equity partners Colin Taylor, CPA; John Blackmon, CPA; and Nick Kabani, CPA), opened a few years ago with 12 employees. Today, TBK has 21 staff members, including four partners, and continues to experience growth.

"After we started the firm, we made a promise to incoming employees that we would put a retirement plan in place once we got established," said Blackmon. "It was important for us to have a plan in place to protect the financial future of the people who were willing to make the leap and work with us, especially when we were just starting out. Plus, we knew it would be an essential benefit for attracting and retaining staff in the future."

It wasn't long before the leadership at TBK made good on their pledge to institute a retirement plan. In fact, just six months after the firm opened, its partners and employees had the benefit of a 401(k) through the AICPA Firm Retirement Plan, which is administered by Paychex Retirement services.

A solution for everyone on the team

The groundwork for implementation of TBK's 401(k) plan was completed within months of the firm's launch. Working in partnership with Paychex, firm leaders selected the type of retirement plan and the investment choices that best fit the firm's unique needs. The promise

at the heart of the firm's founding was fulfilled: all employees now had the opportunity to participate in a retirement savings plan. One year later, TBK began its employer match program.

"The decision to use the AICPA Firm Retirement Plan was initially made because we were using Paychex for our company payroll and we were very happy with the service. The exceptional pricing made the decision even easier," said Chuck Fiorello, firm partner and a 40-year member of AICPA. "We had worked with another payroll provider who could not get our payroll direct deposit implemented – let alone offer us retirement benefits. When we switched to Paychex, we were up and running with our payroll by the next morning. Even better, when we added the retirement program, we received our payroll services for free! As CPAs, we appreciate those savings. The combination of Paychex payroll services and the 401(k) plan is really fantastic."

The AICPA Firm Retirement Plan allows firms using Paychex for payroll processing to link payroll directly with employee 401(k) deposits and employer matching contributions. This bidirectional data feed allows for per pay period monitoring of eligibility, vesting, and deferral changes, alleviating firms of the administrative oversight and the time-consuming tasks associated with offering retirement benefits. This advantage is especially important for firms without in-house human resources support.

As Fiorello attested, one of the key reasons that he would recommend the program is its ease of use. "It takes the stress off of us," he explained.

The program provides outstanding participant education tools and also takes the stress off of employees in terms of managing their

CPA.com Client Success Story: AICPA Firm Retirement Program

retirement savings by providing an online dashboard. Participants can receive customized investment allocations or have professionally managed accounts tailored to their objectives through a partnership with GuidedChoice. Additionally, they can modify contributions and view their 401(k) balances, year-to-date pay information, and paystub copies. The convenience of the dashboard is highly valued by staff.

As Fiorello said, "In this day and age, we all want convenience, and the dashboard is very convenient. Everything can be done online. There's even a mobile app so that employees can take care of things right from their smartphones."

Superior support

From TBK's perspective, another important advantage of the retirement plan is the dedicated, responsive support they receive from Paychex representatives. Fully personalized service makes set-up, rollout, and ongoing maintenance of the firm's payroll and 401(k) plan easy.

"When we call or email with questions, we can count on getting an answer immediately or within 24 hours. It's rare these days to get that level of superior service," said Blackmon.

The firm also receives an annual onsite visit from their Paychex representative and additional support through monthly 'Lunch and Learn' webinars. These education-based events ensure that firm leaders and staff are getting the most out of their service and are taking full advantage of the tools and benefits offered through the program.

Final Words

Blackmon summed up the advantages of the AICPA Firm Retirement Plan this way: "One, the program is extremely cost efficient. Two, it is a key tool for retaining and attracting employees. And three, the communication and support that Paychex offers are great."

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Fiorello agreed and added: "The ease of use of the program and the technology Paychex provides are key benefits for our firm and our employees. Plus we have the same type of 401(k) benefits that we would get from a major investment firm for the same cost, and that's with payroll services included for free."

Overall, the AICPA Firm Retirement Plan has proven exceptionally valuable to TBK in terms of cost and the ability to retain and attract qualified staff by offering benefits on par with larger firms. According to Blackmon, some of the biggest benefits are that it allowed him and his partners to save significant dollars towards retirement and their tax liability – as well as deliver on their promise to provide staff with a sound retirement program.



STATS AT A GLANCE

Firm Profile

Tax-only firm offering comprehensive tax and business consulting services to businesses and individuals

Location

Houston, TX

Staff

4 partners, 17 staff

"The AICPA Firm-based Retirement Plan allows our smaller firm to retain and attract top staff by providing the same A+ benefits as a larger firm."

– Chuck Fiorello, CPA
Partner