

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of Highland Consulting Associates. If you have any questions about the contents of this brochure, please contact us at 440-808-1500 or rveres@highlandusa.net. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Highland Consulting Associates also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 109834.

Item 2 Material Changes

The SEC adopted "Amendments to Form ADV" in July, 2010. This Firm Brochure, dated 03/31/2015, is our new disclosure document prepared according to the SEC's new requirements and rules. As you will see, this document is a narrative that is substantially different in form and content, and includes some new information that we were not previously required to disclose.

After our initial filing of this Brochure, this Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

Discretionary Management:

Highland Consulting Associates has historically served its clients on a non-discretionary basis. This means that the firm had no discretion over the specific investments held in client portfolios. However, there are a few limited cases where Highland is required to have discretionary authority. The dollar amount and number of clients for which this is the case, are presented in the firm's accompanying ADV Part 1, Section 5.

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Item 4 Advisory Business

Highland Consulting Associates, Inc. is a SEC-registered investment adviser with its principal place of business located in Ohio. Highland Consulting Associates, Inc. began conducting business in 1993.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Richard Veres, President

Highland Consulting Associates offers the following advisory services to our clients:

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's customized investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

Except as noted in Item 16 - Investment Discretion, Highland manages advisory accounts primarily on a non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit

- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Options contracts on securities
- Futures contracts on intangibles
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Interests in partnerships investing in hedge fund of funds, private equity and stable value funds
- Other

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

INSTITUTIONAL RETIREMENT PLAN CONSULTING SERVICES

We also provide several advisory services separately or in combination. While the primary clients for these services will be pension, profit sharing and participant directed and non-participant directed retirement plans, such as 401(k) and other plans, we offer these services, where appropriate, to individuals and trusts, estates, foundations, endowments and charitable organizations. Consulting Services are comprised of four distinct services. Clients may choose to use any or all of these services.

Investment Policy Statement Preparation (hereinafter referred to as "IPS"):

We will meet with the client (in person or by electronic means) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. Our firm then prepares a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

Selection of Investment Managers and Vehicles:

We assist plan sponsors in constructing appropriate asset allocation models. We will then review various investment managers and available investment vehicles, including mutual

funds (both passive/index and active/managed) to determine which investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS.

Monitoring of Investment Performance:

We monitor client investments continually, based on the procedures and timing intervals delineated in the Investment Policy Statement. Although our firm is not involved in any way in the purchase or sale of these investments, we supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

Employee Communications:

For pension, profit sharing and participant and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), we may also provide quarterly educational support and investment workshops designed for the plan participants. The nature of the topics to be covered will be determined by us and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

FAMILY WEALTH PLANNING

We provide wealth planning services. Wealth planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the wealth planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed plan designed to assist the client achieve his or her goals and objectives.

In general, the plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information, financial goals and family relationships.
- **TAX & CASH FLOW:** We analyze the client's income and spending and planning for past, current and future years; then illustrate the impact of various scenarios on the client's ability to meet their goals.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review to ensure proper coverage for our client and identify areas that need to be addressed. Primarily we review life, health, disability, liability and long-term care.

- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **ESTATE:** We assist the client in assessing and developing strategies to be effective and efficient in the accumulation and transition of their wealth, their business and their values.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we assist them by working with their attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion. We are engaged to coordinate.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business perpetuation planning.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature. We will provide an analysis to clarify options and choices for our clients.

AMOUNT OF ASSETS ADVISED

As of 12/31/2014, we were actively consulting to over \$11.9 billion of client's assets on a primarily, non-discretionary basis.

Item 5 Fees and Compensation

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT FEES

The annualized fee for Investment Supervisory Services are charged as a percentage assets under management and vary based on the scope of the engagement.

Generally, a minimum of \$10 million of assets under management is required for this service. This account size may be negotiable under certain circumstances. Highland Consulting Associates may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Limited Negotiability of Advisory Fees: Although Highland Consulting Associates has established the aforementioned fee structure, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee structure. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style,

account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

INSTITUTIONAL CONSULTING FEES

Our fees for Institutional Consulting Services are based on a percentage of assets under advisement and vary based on the scope of the engagement.

Institutional clients are invoiced in advance at the beginning of each calendar quarter.

FAMILY WEALTH PLANNING FEES

Highland Consulting Associates' Wealth Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Wealth Planning fees are calculated and charged on a fixed fee basis, depending on the specific arrangement reached with the client.

The client is billed quarterly in advance, based on our total estimated Financial Planning fees, for retainer work. The client is billed as project work progresses in non-retainer arrangements.

GENERAL INFORMATION

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of 90 days written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days beyond the 90 day notice period for which fees had been paid, if any.

ERISA Accounts: Highland Consulting Associates is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Highland Consulting Associates may only charge fees for investment advice. As mentioned previously, Highland receives no commissions, 12b-1 fees, finders fees or any other form of compensation from any mutual fund company. Our revenues are derived entirely from fees paid directly to us from our clients.

Advisory Fees in General: Clients should note that similar advisory services may (or may

not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

Item 6 Performance-Based Fees and Side-By-Side Management

Highland Consulting Associates does not charge performance-based fees.

Item 7 Types of Clients

Highland Consulting Associates provides advisory services to the following types of clients:

- Corporate Retirement Plans including:
 - Defined Benefit / Pension Plans
 - Defined Contribution Plans (i.e. 401(k), 403 (b), etc)
 - Profit Sharing Plans
- High Net Worth Individuals
- Charitable Organizations
- Foundations and Endowments
- Corporations or Other Institutions not listed above

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

Our methods of analysis in relationship to client's assets relate to the evaluation of money managers including those who manage mutual funds, separate accounts, comingled trust, stable value funds, hedge funds, fund of funds, private equity funds and other investments. One of Highland's primary roles is to identify money managers whose strategies complement the investment objectives of our clients. Our evaluation of these managers includes gaining an understanding of the managers credentials, their process of investing, their historical performance relative to appropriate benchmarks, pricing and other measures.

Highland Consulting Associates assists its clients by helping them to formulate an investment strategy appropriate to the needs of the client and consistent with the client's investment

objectives, risk tolerance, and time horizons, among other considerations.

Risks for all forms of analysis. Our analysis methods rely on the assumption that the managers are providing accurate and unbiased data. We also purchase manager data and other information that allow us to corroborate manager provided data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Highland Consulting Associates and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Highland Consulting Associates' Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You

may request a copy by email sent to rveres@highlandusa.net, or by calling us at 440-808-1500.

Highland Consulting Associates and individuals associated with our firm are prohibited from engaging in principal transactions.

Highland Consulting Associates and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Item 12 Brokerage Practices

Highland Consulting Associates does not provide any discretionary trading or brokerage services, except as noted in Item 16 - Investment Discretion. As a result, we have no soft-dollar arrangements and receive no soft-dollar benefits.

Item 13 Review of Accounts

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

REVIEWS: While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

REPORTS: In addition to the monthly statements and confirmations of transactions that clients receive from their custodian, broker-dealer, we provide quarterly reports summarizing account performance, balances and other relevant information.

INSTITUTIONAL CONSULTING SERVICES

REVIEWS: Highland Consulting Associates will review the client's Investment Policy Statement (IPS) annually or whenever the client advises us of a change in circumstances regarding the needs of the plan or their institution. Highland Consulting Associates will also review the investment options of the plan according to the agreed upon time intervals established in the IPS. Such reviews will generally occur quarterly.

REPORTS: These client accounts will receive reports as contracted for at the inception of the advisory relationship.

FAMILY WEALTH PLANNING SERVICES

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Wealth Planning clients unless otherwise contracted for.

REPORTS: Wealth Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

Item 14 Client Referrals and Other Compensation

It is Highland Consulting Associates' policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is Highland Consulting Associates' policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that in some cases, our firm directly debits advisory fees from client accounts. This occurs only after the client has requested, in writing, that our firm initiate these payments on their behalf. In these cases, the client receives invoice from Highland. The client then has ten business days during which to make inquiry or dispute their fee. If no inquiry or dispute is made, payment is initiated after the ten business day have passed. At present, the majority of client fees are initiated by our clients.

On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. It is important for clients to carefully review their custodial statements to verify the accuracy of their statements. Clients should contact Highland or their custodian if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also provide a detailed portfolio summary directly to our clients on at least a quarterly basis. We encourage our clients to carefully compare the information contained in their custodial statements with that presented in Highland's quarterly client report, to ensure that all account transactions, holdings and values are correct and current.

Our firm does not have actual or constructive custody of client accounts.

Item 16 Investment Discretion

Highland Consulting Associates has historically served its clients on a non-discretionary basis. This means that the firm had no discretion over the specific investments held in client portfolios. There are now a few cases where Highland is deemed to exercise discretion. The dollar amount and number of clients for which this is the case, are presented in the firm's accompanying ADV Part 1, Item 5, Section F.

Item 17 Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We do not offer any consulting assistance regarding proxy issues to clients.

Item 18 Financial Information

As an advisory firm we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. Highland Consulting Associates has no additional financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Highland Consulting Associates has not been the subject of a bankruptcy petition at any time during the past ten years.