

**Part 2A of Form ADV: *Firm Brochure***

**Alpha & Omega Financial Management Consultants, Inc.**

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January 15, 2019

This brochure provides information about the qualifications and business practices of Alpha & Omega Financial Management Consultants, Inc. If you have any questions about the contents of this brochure, please contact us at (619) 462-7812. The information in this brochure has not been approved or verified by the U.S. SEC or by any state securities authority. Additional information about Alpha & Omega Financial Management Consultants, Inc., also is available on the SEC's website at [www.adviserinfo.gov](http://www.adviserinfo.gov).

## **Item2 Material Changes**

There are no changes that we would consider to be material since our last update to this form.

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#### **Item 4 Advisory Business**

We are a Pension Third Party Administration firm and have been in business since 1974. The firm is 100% owned by employees and an employee related party. The majority shareholder is Peter E. Prevolos.

Our primary business is establishing and maintaining ERISA qualified pension and benefit plans. We are required to registered with the SEC as an RIA because we perform services for plans with assets that exceed, in the aggregate, \$75,000,000. Our work necessarily includes plan Fiduciary compliance, including, but not limited to investment review and selection. As such, we provide investment supervisory services to plan fiduciaries and private clients. We do not have a minimum stated relationship, but practicality lends itself to clients with investible assets of over \$1,000,000.

Generally, we do not custody funds for clients and we do not have discretionary authority over client accounts. We have one institutional client for which we have discretionary authority. However, the client is a trust company investing missing participant funds and as such, our discretionary authority is limited by IRS and DOL rules.

As of January 4, 2013 are involved with portfolios with assets of over \$254,900,000.

#### **Item 5 Fees and Compensation**

Generally, we are compensated by a combination of Flat Fee and Hourly Fees for service pursuant to our Fee Agreement. Some clients prefer to offset (in whole or in part) our fees by paying a percentage of assets under management. We do not require prepayment of fees. We do not participate in any wrap fee programs. We do not receive or pay fees for any type of referral.

For institutional clients, fees are billed quarterly in arrears on the market value of assets under management at an annual rate of .5% to 2% depending on the assets under management and the total services provided.

For private clients, fees are billed quarterly in arrears on the market value of assets under management at an annual rate of .5% to \$2% depending on the assets under management and the total services provided.

We may negotiate fees different from our fee schedule. Clients may authorize us to deduct fees from their account or bill them. Clients will also incur brokerage and/or other transaction costs as outlined in Item 12: Brokerage Practices. None of such costs are payable to us.

Similar services may be available from other advisers at lower fees.

## **Item 6 Investment Advisory Services (Outside Manager)**

Depending on the outcome of the client's personal investment policy, we may recommend and/or offer investment advisory services through the use of third-party money managers ("Outside Managers") for portfolio management services. We assist clients in selecting an appropriate allocation model, completing the Outside Manager's investor profile questionnaire, interacting with the Outside Manager and reviewing the Outside Manager. **Our review process and analysis and analysis of outside managers is further discussed in Item 8 of this Form ADV Part 2A.** Additionally, we will meet with the client on a period basis to discuss changes in their personal or financial situation, suitability, and any new or revised restrictions to be applied to the account. We may recommend, on occasion, redistributing investment allocations to diversify the portfolio. We may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. We may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses for tax purposes, change in risk tolerance of Client, generating cash to meet your needs, or any risk deemed unacceptable for your risk tolerance. Clients will have the opportunity to impose restrictions on investing in certain securities or types of securities.

## **Item 7 Performance-Based Fees and Side-By-Side Management**

We do not charge performance-based fees.

## **Item 8 Types of Clients**

We serve institutional, corporate and private clients. Clients may include multi-employer (TaftHartley), union or governmental employee pension or benefit plans, banks or thrift institutions, investment companies, trusts, estates, charitable organizations or other corporations or entities.

## **Item 9 Methods of Analysis, Investment Strategies and Risk of Loss**

Again, most of our work is compliance oriented and most investment advisory services are done in conjunction with the client and the client's other financial advisors. Our first goal and objective is to insure that our client's exercise their investment authority and discretionary authority in a manner which is prudent and sound and supports the fiduciary obligation. Each client is reviewed separately and the investment decisions are tailored to the client or the beneficiaries who our clients serve. Additionally, our goal is to always keep compliant with IRS and DOL criteria and safe harbors for Qualified Plan Investments where required or appropriate.

## **Item 10 Disciplinary Information**

Our firm and employees have never had any legal or disciplinary events related to providing investment advisory services.

## **Item 11 Other Financial Industry Activities and Affiliations**

We do work collaboratively with our client's other financial advisors. Similarly, we have recommended other financial institutions and advisors to our client's. We are not paid a commission for any such collaboration or referral. Our fees are independently negotiated with our clients. Sometimes, our fee may be built into the recommended advisors contract at the request of the Client. Otherwise, we engage in no other financial industry activities and are not affiliated with any broker-dealer, investment company, financial planner, or other investment adviser.

#### **Item 12            Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

We have adopted policies and procedures to detect and prevent insider trading. There are provisions for restricting access to files and providing continuing education. We are seldom, if ever, in a position to receive non-public information, let alone trade on such information. We have a Chief Compliance Officer.

Employees may own securities which may also be purchased for clients. When buying or selling securities for employee or related party accounts, we execute these trades last - after all trades in client accounts have been filled.

It is our policy that employees shall not buy or sell securities for their personal account when their decision is substantially derived, in whole or in part, from information obtained by reason of their relation to the firm unless the information is also available to the general public on reasonable inquiry.

We require all employees to act in accordance with laws and regulations governing our business and will discipline or terminate any employee acting otherwise.

#### **Item 13            Brokerage Practices**

We do not use or suggest brokers or direct brokerage in exchange for fees, products, research, services, payments for order flow, rebates, soft dollars or other compensation.

Generally, we do not trade for our clients. We have and will, on occasion, suggest brokers that we reasonably believe will provide best price and execution. We consider reputation, integrity, access, ability, level of communication, responsiveness, and established mechanisms to provide best price and execution. We do not normally solicit competitive bids and do not necessarily seek the lowest available commission cost.

Clients are entitled to direct their brokerage. Clients are responsible for negotiating terms, arrangements and commissions with their broker.

#### **Item 14            Review of Accounts**

Accounts are subject to continuous monitoring and supervision. There are no specific

factors triggering review and no procedure determining the sequence in which accounts are reviewed. Reviews are performed by Mr. Preovolos.

#### **Item 15      Client Referrals and Other Compensation**

We only receive compensation from clients for whom we provide consulting or investment advisory services. No one who is not a client provides us any economic benefit.

#### **Item 16      Custody**

We do not take possession of client funds or securities. But we are deemed by the SEC to have custody of accounts from which clients have authorized us to deduct management fees.

Each client receives statements from their custodian at least quarterly. Clients also receive periodic statements (usually quarterly) from us and are urged to compare the two.

#### **Item 17      Investment Discretion**

Generally, we do not have investment discretion over client accounts. In the rare case in which we do, clients execute a management agreement giving us authority to determine, without obtaining specific client consent, the type and amount of securities bought and sold, the broker used for the transaction and the commission rates paid.

#### **Item 18      Voting Client Securities**

Generally, we do not vote proxies for our clients. However, when we do, we vote proxies considering only the interest of our clients. In most cases, we vote proxies as recommended by management. But we generally vote against proposals to entrench management or result in egregious compensation and against board nominees who do not have significant share ownership or do not have significant experience related to the business of the company or appear to be otherwise unqualified. We generally vote against shareholder-initiated proposals that appear to be driven by social concerns having little relevance to the business of the company.

#### **Item 19      Financial Information**

We have been profitable since our establishment. No financial condition exists that is reasonably likely to impair our ability to meet contractual commitments to our clients.

**Part 2B of Form ADV: *Brochure Supplement***

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**This brochure supplement provides information about Peter Preovolos that supplements Alpha & Omega Financial Management Consultants, Inc.'s brochure. You should have received a copy of that brochure. Please contact Peter E. Preovolos at (619) 462-7812 or [peter.preovolos@alpha-omega-inc.com](mailto:peter.preovolos@alpha-omega-inc.com) if you did not receive the Alpha & Omega Financial Management Consultants, Inc.'s brochure or if you have any questions about the contents of this supplement.**

Additional information about Peter E. Preovolos is available off the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## **Item 2 Educational Background and Business Experience**

### **Education**

Menlo College, Menlon, California, AA  
University of Arizona, Tucson, Arizona, BA  
American Institute of International Management, Glendale, Arizona BFT

### **Professional Designations:**

APA Accredited Pension Administrator, National Institute of Pension Administrators.  
RIA Register Investment Advisor, Security Exchange Commission  
AIFA Accredited Investment Fiduciary Auditor, Center for Fiduciary Studies – fi360.

### **Work History**

Wells Fargo Bank 1966-1974  
Union Bank 1974-1979  
Alpha & Omega Financial Management Consultants, Inc. 1979-Present

## **Item 3 Disciplinary Information**

There is no legal or disciplinary information to disclose.

## **Item 4 Other Business Activities**

He is not engaged in any other investment related business or occupation. He is not involved in any other business activities that provide what would be considered a substantial source of income.

## **Item 5 Additional Compensation**

He receives an annual salary. There is no additional compensation or bonus based on sales, client referrals or new accounts.

## **Item6 Supervision**

Peter E. Preovolos is Chairman & CEO. He confers with members of Alpha & Omega Financial Management Consultants Inc., his Chief Compliance Officer with regard to the management of client investments. Thanasi Preovolos is the Chief Compliance Officer and can be reached at (619) 696-0520 x 120.

Alpha & Omega Financial Management Consultants, Inc. (A&O) also provides supervisory services in accordance with the supervision requirements of Section 203(e)(6) of the Investment Advisor's Act. Thanasi Preovolos, the Chief Compliance Officer, is primarily responsible for oversight of the compliance policies and procedures