



# **Form ADV Part 2A Brochure**

## **PHD Consulting, LLC**

### **Doing Business As “PHD. Retirement Consulting”**

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March 30, 2023

This Brochure provides information about the qualifications and business practices of PHD. Retirement Consulting (PHD). If you have any questions about the contents of this Brochure, please contact us at 844-743-4015. 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.

PHD is a registered investment adviser. Registration as an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information from which you can determine whether to hire or retain an adviser.

## **Item 2 – Material Changes**

This Brochure dated March 30, 2023, represents the annual amendment to the Brochure for PHD Consulting, LLC d/b/a “PHD. Retirement Consulting”.

Since the filing of the firm’s annual update Brochure dated March 31, 2021, we have made minor updates but no material changes were made.

Pursuant to SEC Rules, we will deliver to you a summary of any material changes to this and subsequent Brochures within 120 days of the close of our fiscal year. We may further provide other ongoing disclosure information about material changes as necessary. All such information will be provided to you free of charge.

Currently, our Brochure may be requested by contacting us at 844-743-4015. Additional information about PHD is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with PHD who are registered as investment adviser representatives of the firm.

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## **Item 4 – Advisory Business**

PHD Consulting, LLC doing business as “PHD. Retirement Consulting” (CRD # 304989) (PHD) is registered as an investment adviser with the Securities Exchange Commission. PHD is based in Kansas and is organized as a limited liability company under the laws of the State of Kansas. The firm was formed in 2013, has been registered as a registered investment adviser since 2019.

PHD’s principal office and place of business is located at 7500 College Blvd., Suite 500, Overland Park, KS 66210. Regular business hours are Monday through Friday 8:00 am to 5:00 pm. The firm can be contacted by phone at 844-743-4015.

The firm is owned by Troy Redstone, who also serves as the firm’s Chief Compliance Officer.

PHD provides investment related services to retirement plans and plan sponsors. Such plan services may include discretionary management services, non-discretionary management services, and investment advisory services related to different types of retirement plans. When providing management services, the firm is responsible for implementing recommendations. When the firm is providing advisory services, the client is responsible for implementation of recommendations.

Regardless of the services provided, each is tailored to the individual needs of a particular client (whether a plan or a plan sponsor) through an assessment conducted prior to an engagement. Clients may impose restrictions related to the level of discretion granted, the types of investments used, etc. Terms of an actual engagement, including description of service, limitations and restrictions, fees, etc., are all detailed before any engagement begins in a written client agreement.

As of the December 31, 2022, PHD managed approximately \$135,981,890 in assets, \$75,834,742 of which was managed on a discretionary basis and \$60,147,148 of which was managed on a non-discretionary basis.

PHD also provides non-investment related consulting services which may include financial wellness and benefits consulting.

## **Item 5 – Fees and Compensation**

### **Investment Related Retirement Plan Management Services**

The fee for management services is either a flat fee or a percentage of assets fee ranging from 5 basis points to 50 basis points. Fees are billed in arrears and may be billed quarterly or monthly.

Fees may be deducted directly from plan assets with proper authorization or may be billed directly to the client. Client may terminate a contract at any time subject to the contract terms. When a relationship is terminated, fees are prorated.

Fees charged by PHD are separate from plan administrative costs, from transaction costs, and from fees and expenses charged by mutual funds that may be held by the plan.

### **Investment Related Retirement Plan Consulting Services**

The fee for non-management consulting services is either a flat fee or a percentage of assets fee ranging from 5 basis points to 50 basis points. Fees are billed in arrears and may be billed quarterly or monthly. Fees may be deducted directly from plan assets with proper authorization or may be billed directly to the client. Client may terminate a contract at any time subject to the contract terms. When a relationship is terminated, fees are prorated.

Fees charged by PHD are separate from plan administrative costs, from transaction costs, and from fees and expenses charged by mutual funds that may be held by the plan.

### **Non-Investment Related Consulting Services**

Fees for non-investment related consulting services, which may include consulting related to financial wellness, project work related to benchmarking studies, and RFP services, is a fixed amount which is negotiated based on the level of service provided. Fees are billed in arrears upon completion and are billed directly to the client.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

PHD does not charge performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client), and consequently does not simultaneously manage performance based and non performance based accounts.

## **Item 7 – Types of Clients**

PHD provides services to businesses and retirement plans.

For its services, PHD does not require a minimum dollar value in assets for establishing or maintaining an institutional account, but the firm reserves the right to decline engagements for various reasons including account size.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

PHD's general investment strategy, consistent with the tenets of modern portfolio theory, is to attempt to reduce risk and volatility by building globally diversified portfolios. To implement this strategy, PHD primarily uses fundamental security methods of analysis, as well as market trend and economic cycle analysis. While mutual funds are the primary investment vehicles used in or recommended for plans, investment types can vary depending on the platform used.

Investing in securities involves risk of loss that clients should be prepared to bear. Such risks include market risk, interest rate risk, currency risk, and political risk, and loss of capital, among others. Additionally, certain trading strategies can affect investment performance through increased brokerage and other transactions. Each client's propensity for risk however is thoroughly evaluated, documented, and considered throughout the portfolio implementation process.

Although PHD intends to manage risk through the careful selection of investments, no investment strategy can assure a profit or avoid a loss.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding certain legal or disciplinary events that would be material to the evaluation of the firm or the integrity of its management. PHD is currently not subject to, nor has ever been subject to, any legal or disciplinary events of a material nature.

## **Item 10 – Other Financial Industry Activities and Affiliations**

PHD has no other financial industry activities or affiliations.

## **Item 11 – Code of Ethics**

### **Code of Ethics**

PHD has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. The PHD Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, and

details practices for reviewing the personal securities transactions of supervised persons with access to client information. The Code also requires compliance with applicable securities laws, addresses insider trading, and details possible disciplinary measures for violations. PHD will provide a complete copy of its Code of Ethics to any client upon request to the Chief Compliance Officer.

### **Trading Conflicts of Interest**

Individuals associated with PHD are permitted to buy or sell securities for their personal accounts identical to or different than those recommended to clients. However, no person employed by PHD is allowed to favor his or her own interest over that of a client or make personal investment decisions based on the investment decisions of advisory clients.

In order to address potential conflicts of interest, PHD requires that associated persons with access to advisory recommendations provide annual securities holdings reports and quarterly transaction reports to the firm's Chief Compliance Officer. PHD also requires prior approval from the Chief Compliance Officer for investing in any IPOs or private placements (limited offerings).

### **Item 12 – Brokerage Practices**

PHD generally does not recommend brokers for use by clients. Trading is generally done by custodians or platform providers. Other brokers may however be used by the client or the client's investment manager(s). PHD does not monitor a client's trading arrangements unless contractually required to do so.

However, when PHD does make recommendations concerning custodians or other providers, the firm considers many different factors including quality of service, services offered, execution quality, transaction costs, reputation of the firm, financial resources, and stability, among others. In determining the reasonableness of compensation, we consider the overall cost to you relative to the benefits you receive, both directly and indirectly, from the broker.

While we may evaluate or recommend various providers, you will ultimately decide who to retain and will open your account(s) directly with them.

With respect to brokerage conflicts of interest, PHD does not receive research or other products and services in connection with client security transactions ("soft dollar benefits"). Clients may however pay for PHD services using soft dollar credits they have received elsewhere. In other

words, PHD does not receive soft dollar benefits, but the firm's services may be purchased by a client as a soft dollar benefit.

Regarding directed brokerage arrangements, clients may elect to request that managers direct brokerage at their own discretion. PHD will offer recommendations on such arrangements when requested.

### **Item 13 – Review of Accounts**

#### **Review of Accounts**

PHD performs reviews of ongoing institutional investment advisory accounts no less than semi-annually. Accounts are reviewed for consistency with the investment strategy and performance among other things.

Reviews of institutional investment advisory accounts are performed by Troy Redstone.

#### **Regular Reports Provided to Clients**

In addition to the quarterly statements and confirmations of transaction that clients receive from the custodian, PHD may provide other reports directly to the client from time to time depending on the type of engagement.

PHD urges clients to carefully review custodial statements and compare them to the reports which we may provide.

### **Item 14 – Client Referrals and Other Compensation**

PHD does not compensate any outside parties for client referrals, nor do we receive any compensation or non-cash economic benefit for client referrals.

### **Item 15 – Custody**

As noted in Item 12, PHD requires that clients' assets be held by a qualified custodian. Although we do not hold assets, we may have limited control in some instances to trade on your

behalf, to deduct our advisory fees from your account with your authorization, or to request disbursements to you.

You will receive account statement directly from your custodian at least quarterly, which will be sent to the email or postal mailing address you provide. PHD urges clients to carefully review custodial statements and compare them to any account reports that we might provide.

### **Item 16 – Investment Discretion**

Although PHD does not accept discretionary authority for security selection, the firm does accept discretionary authority to select investment options to made available to plan participants in retirement plan engagements. The firm also accepts non-discretionary engagements.

Any discretionary authority accepted by PHD however is subject to the client’s risk profile and investment objectives and may be limited by any other limitations provided by the client in writing.

PHD will not exercise any discretionary authority until it has been given authority to do so in writing. Such authority is granted in the written agreement between PHD and the client, and in the written agreement with the third-party custodian.

### **Item 17 – Voting Client Securities**

PHD does not vote proxies on behalf of clients.

### **Item 18 – Financial Information**

Registered investment advisers are required in some cases to provide certain financial information and or disclosures about their financial condition. For example, if the firm requires prepayment of fees for six months in advance, has custody of client funds, or has a condition that is reasonably likely to impair its ability to meet its contractual commitments to its clients, it must provide financial information and make disclosures.

PHD has no financial or operating conditions which trigger such additional reporting requirements.