

# Susan Moffat – Adding Value with Integrated Financial Services

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Wealth management firms will find that offering integrated financial services can help attract and retain high-net-worth clients. Join Mark Wickersham from AgilLink as he discusses the requirements and capabilities of integrated financial services with Susan Moffat, president of Curated Wealth Partners. If you are interested in offering a higher level of service to your clients, you will not want to miss this conversation!

## Interview Transcript

### Mark Wickersham:

All right. Susan, thanks for taking a little bit of time with us today. Appreciate you taking the time and sharing your story. Can you tell me a little bit about Curated Wealth Partners?

### Susan Moffat:

Sure. We are in registered investment advisor that operates as a multi-family office. And what that means to us is we work with a fewer number of clients and the profile of our clients tends to steer more towards what we might consider ultra, ultra-high net worth. Our client profile is really families that probably are just on the precipice of being large enough for maybe thinking about their own family office. But that really are looking for a full service stack with a lot of, many years of experience, a lot of diversified experience. And so they come to Curated instead of forming their own family office.

### Mark Wickersham:

So tell me a little bit about, as we're kind of coming out of the pandemic, how has the pandemic affected your firm and also how has it affected your clients during the pandemic, but now kind of going forward?

### Susan Moffat:

As a firm it has, I can tell you it's been hard on us in terms of hiring. And then we are a people first firm and our business is really driven by relationships. And so when you're in our business, you want to meet face-to-face, you want to look somebody in the eye, you want to give them that handshake to form that trust that is really important in doing what we do. And so I think for two years having most of that be on pause that was a hindrance to some growth that I think we would've expected over those two years.

### Mark Wickersham:

So obviously you noted you're a multifamily office and one are the services you offer is bill payment. Why do you offer that service?

### Susan Moffat:

I think when we thought about building Curated, before we launched, we thought about what matters to our families and really thinking about it in terms of our clients first. What were they missing from the providers that they had, what they weren't getting, ease of use across those providers. And really what it came down to is there were a subset of our families that launched with us that said, 'Hey, we're using other people for this service. We are not necessarily having the best experience with those people.' In many circumstances, they had to move multiple times to get better service.

**Susan Moffat:**

And they still weren't happy with what their setup was. And they had to piece together three or four different providers to really get what they were looking for. And so bill pay and what traditionally is considered business management at our firm, we call it family office services, traditionally that was separate and distinct from their investment management. And we really believed that marrying those two disciplines together, not only made the business a bit stickier for us from a client perspective, but it actually afforded us more information and more data to provide back to the client to help make better decisions as it relates to their actual investment portfolio.

**Mark Wickersham:**

What do clients like about it? What do clients like about the fact that you're offering that service?

**Susan Moffat:**

So I think first and foremost is trust. We offer them trust. They already trust us with investing their assets. They are already talking to us for multiple, like I said, multiple times a day, definitely multiple times a week. So being able to have that one point of contact and not pick up the phone and call four different places, or two or three different places to get the answers they need and then have to take that information back themselves to make decisions. We can do that on the fly because we have all of that in front of us and at our fingertips. And so I think it's really ease of use and trust. I would also say that being an RIA, we are registered by the SCC, those assets from a bill pay perspective, those assets are required to have a surprise audit annually.

**Mark Wickersham:**

We have custody of these assets.

**Susan Moffat:**

Because custody of those assets. Correct. And so that's not necessarily the case of other firms that might be out there doing that. And so I think it gives them some peace of mind.

**Mark Wickersham:**

When you're picking up bill payment from other clients that, you normally said, somebody's doing it somewhere, what do you see as some of the common mistakes that are being made?

**Susan Moffat:**

It creates a huge headache for us. I will definitely tell you that. I think the key themes from a mistake perspective that we see and that we have to be quick in cleaning up is a really messy chart of accounts. So it's oftentimes that we can't use the same chart of accounts from an existing

accountant, which makes the clean up a lot harder and then getting the books and records on an ongoing basis into the right format and the right place that takes a lot of heavy lifting. Plus, we see a lot of times where when we're looking at past financial statements, something really doesn't make sense. And as you dig in, you realize they didn't go back and do the work and dig in to find the right answer. And so they plugged something.

**Susan Moffat:**

And we just don't do that. That's not how we operate and that's not the quality of the product and the data that we want to provide to our families. So I think those are kind of the two biggest mistakes or issues that we run into. And I think that that's really caused by turnover. A lot of those firms have such heavy turnover and people aren't getting trained. And so we really pride ourselves on the team that we build and the partners still having oversight of that business.

**Mark Wickersham:**

What should firms think about? A lot of, I think RAs are looking to expand and offer more holistic wealth management, become family office. What should firms think about when it comes to our offering bill payment and client accounting?

**Susan Moffat:**

I think the first thing is that there are no shortcuts. So if you're going to even just like on the investment advisory business, there are no shortcuts to be made. People are entrusting you with the rewards of their hard work and it is our responsibility to do best by them and to do right by them and not take any shortcuts and to do the hard things, even if they take more time for us. That's our job. And so I think first and foremost, no shortcuts and by no shortcuts, I mean, don't under staff if you're going to take on this role and responsibility for families, spend on technology, the technology that we employ is not inexpensive.

**Susan Moffat:**

And so you really have to be willing to put the capital out, to build out the right tech stack and put right into place the right policies and procedures. Some people would say that you're going to do that to protect your firm. I think we really thought about it as we're doing that to protect our families and give them peace of mind. And so I would say to other family offices or RIAs that are trying to add this. And hire an expert, hire somebody that if that is not your core competency, hire somebody into this seat that has done this for many, many years and have them help you build out that practice. And as a partner, don't give it up, dig in and learn it so that you're responsible for it. Your name is on that.

**Mark Wickersham:**

How does Curated think about technology and what are the key components of your tech stack?

**Susan Moffat:**

After headcount, technology is our most expensive line item on our balance sheet. So we always set out to build what we would consider a technology first business. How can we grow and scale with technology? All three partners came from firms that we watched get bloated and add people to solve problems that technology could solve and help scale in a way that people just aren't going to. So technology was always something that we knew we were going to spend a lot of

money on and spend a lot of time finding our best solutions. So we really view it as really the most integral part of what we do, of how we do what we do every day. So from our reporting software to AgilLink and the integration with Addepar, InvestLink. We spend a lot with our research. We spend a lot of money on technology and I have to say it really helps you scale and save man hours.

**Mark Wickersham:**

Obviously your firm uses AgilLink. How do you use AgilLink? What problem does it solve for you?

**Susan Moffat:**

So AgilLink really affords us two things really, security. Right. So the security of the data and the information and the money movement inside your software and the work that your team has done to make that a very secure and safe setting for doing what we do. It also helps us really standardize how we're doing what we do so that the people that work in that group can kind of really sit in the seat and be trained up fairly quickly and follow along because we're doing everything the same way inside the software.

**Susan Moffat:**

The other thing is security and safety on our side. So the dual function releasing, so checker model. So that there's no one person inside our firm that can actually initiate something and release something. It really, I think affords us the ability to have multiple sets of eyes to correct anything or pick up any mistakes before it gets too far down the line. And I think it gives the clients that piece of mind as well, that there's not one person that can run the whole input and release so that there are mistakes that could be made.

**Mark Wickersham:**

At a basic level. Right. The person entering the bill is not the person paying the bill. Right.

**Susan Moffat:**

Exactly.

**Mark Wickersham:**

There's separation of duties that's kind of built into it.

**Susan Moffat:**

There's a separation of duties on our family office side. And then we actually add in another level where one of the partners actually is the releaser. So it's ultimately on us as partners. We don't just turn that over to our family office service team. We stay in the loop on that.

**Mark Wickersham:**

So you were the first firm to use the Addepar integration with InvestLink. And that integration allows us to pull information from Addepar investment information, transform that information and make it general ledger ready. And it allows your general ledger to be investment aware. What was that process like before the integration?

**Susan Moffat:**

So I think that for us, our clients are very investment heavy, meaning that they have large portfolios with many different types of investments that are throwing off many different types of

income, dividends, interest, et cetera, and amortization. And so I think if you're a firm that has families that have investment heavy portfolios, you have to have this technology. It just was what we were doing before was so manually intensive, labor intensive, the man hours that it took. And really the man hours were just data entry, right, but it's looking at the hard statement and then inputting into the general ledger, what those categories were and ticking and tying through statements.

**Susan Moffat:**

And some of our family statements are two and 300 pages long a month. So it was a lot of time up front getting it set up and really taking the time and you guys were great partners on that, really taking the time to make sure that we got it right over the course of four to six months was a game changer for us. I have to be honest, I think it saves us 20, 30, 40 hours a month of manual labor that allows our colleagues to go on and do the higher value add work for our families.

**Mark Wickersham:**

I mean, you already had that big investment in Addepar. You already kind of had that kind of clean investment data set that you're using there, the ability to kind of carry that forward into the general ledger without having to have that bookkeeper be that conduit between the two systems, right.

**Susan Moffat:**

Right. Just mistakes that can get made. We all got finger things. And when we're trying to do some data entry, and so it took a lot of that out of it as well.

**Mark Wickersham:**

If there is one thing you would change with InvestLink and integration, what would it be?

**Susan Moffat:**

And listen, the onboarding and getting it up and running is painful. Hopefully the pain that we felt for someone new, it's not as painful. Sometimes the data's not as clean. I wish that there was some standardization across the custodians,

**Mark Wickersham:**

Right.

**Susan Moffat:**

So that the data that gets put into Addepar can be pulled efficiently and the mapping that has to happen can happen once and doesn't have to happen across every custodian. I think that is the biggest issue. If there was some way that custodians had to standardize it, I think,

**Mark Wickersham:**

I know some sort of protocol that they had to.

**Susan Moffat:**

Yeah. I mean, at the end of the day, it is the client's information. And so we should all be making it easy for them to find, use, pull, get at it the way they want to.

**Mark Wickersham:**

With AgilLink, so basically the, kind of the same question, what would be the one thing you would change with AgilLink?

**Susan Moffat:**

I would say the ability to customize statements output has gotten so much better. Absolutely. I think our families are a little unique. I think many firms could press the button, get the balance sheet, cash flow income statement, and use what comes out of the system. I think for our families that have 10, 15 different entities, irrevocable trusts, LLCs, revocable trusts, and how they want to see it and how those trusts interact with one another. I think there's still a level of customization that we do outside of the system that I really wish that we had the flexibility to do inside the system. And I'm hopeful that that's going to come in time because even over the course of three years, we've seen great strides in the ability to customize on the reporting side. The training team has just been fantastic. And any new employees we've on-boarded that have gone through the training are just, they come up to speed and are very knowledgeable, very fast.

**Mark Wickersham:**

For firms that are thinking about adopting, whether it be AgilLink or InvestLink, what advice would you give? Now you've kind of gone through this journey.

**Susan Moffat:**

And so I would say before you really put the money into starting to use the software and the technology, make sure that the people that are going to be in there every day really understand accounting and understand charts of accounts and aren't just bookkeepers. I think that is probably my biggest advice. We were really, really thoughtful about that. Before we actually decided what tech stack we were going to use on the family office side of our business, we made that key hire first that had the wealth of knowledge and experience. And then we went and started demoing the options that we had to land ultimately on AgilLink. I think that if I was the one choosing, having the limited knowledge that I had, I probably would've still chosen AgilLink, but I don't think I would have known how to use the total functionality that actually is afforded to us inside the software. I think I would've been paying for all of it and using very little.

**Mark Wickersham:**

Use a fraction. Right. It's kind of the difference between a bookkeeper and an accountant, right?

**Susan Moffat:**

Exactly. So I think you really need to, if you're a firm that's going to start this from scratch or clean up what you have, I think you really need to think about the people or person that's going to be managing and running this for you and having that person truly be an expert.

**Mark Wickersham:**

So kind of wrapping up here, what I like to do with these podcast type interviews is just ask a little bit more of a personal question. Is there a charity or cause that you'd like to highlight and why is it important to you?

**Susan Moffat:**

So when I saw this on your question list, I was so excited. And part of that is because I actually started a nonprofit, a public charity with my husband, gosh, 16 years ago, now it's called NextStep Fitness. And it was started out of need. My husband was paralyzed in 2006 and freak accident. And so we had to move out of the state of California to find cutting edge neurological rehab. And we ended up in Louisville, Kentucky for a year and working with a scientist there. Wanted to come back to LA and there was nothing as progressive as what we were doing there. And so we went ahead and we started NextStep, our first center in Los Angeles. We run paralysis recovery centers and help people with neurological impairments that are having mobility issues, not just walking, but it could be hands, arms, et cetera.

**Susan Moffat:**

And I'm really proud of what my really how my husband has grown the nonprofit. There are six centers across United States now, and two outside and I'd be remiss in not mentioning at this time one of those centers is in the Ukraine and shut right now, but we are praying for them and hoping the best for them. And it was actually a woman who started bringing over Ukrainian soldiers after the 2014 Russian incidents. And then luckily for like four years, brought over a bunch of soldiers. They rehabbed at our centers and then would have to go home. And then she ultimately was able to get the government to support a NextStep in the Ukraine. And so we're really, really thinking about those partners there and hopeful that things go their way and the country's doing better. And they're able to open the center again.

**Mark Wickersham:**

How do people find out about NextStep?

**Susan Moffat:**

So you can go to [nextstepfitness.org](http://nextstepfitness.org). And unfortunately, if something happens in your family or to a loved one or someone in your network, [nextstepfitness.org](http://nextstepfitness.org) is a great resource for helping you figure out what the next steps for your loved one could be.

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