

## Jerry J Davis CPA PC

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February 6, 2021

This brochure provides information about the qualifications and business practices of Jerry J Davis, CPA PC. If you have any questions about the contents of this brochure, please contact us at 503-665-0173 or [jerry@jjdcpa.com](mailto:jerry@jjdcpa.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. While the firm and its personnel are registered with the State of Oregon and the State of Washington, it does not imply a certain level of skill or training on the part of the firm or its personnel.

Additional information about Jerry J Davis CPA PC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Click on the "Investment Adviser Search" link and then search for "Investment Adviser Firm" using the firm's IARD number, which is 150939.

## ITEM 2: MATERIAL CHANGES

This section will identify and discuss material changes from the firm's last annual update. The firm has updated its Form ADV Part 2A - Brochure from the last annual update dated June 10, 2020:

### Item 4 Advisory Business

- Updated non-discretionary regulatory assets under management

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## ITEM 4: ADVISORY BUSINESS

### A. Business and Owner

Jerry J Davis CPA PC (hereinafter also referred to as the “firm”) was organized in 1989 and has been registered with State of Oregon as an investment adviser firm since 2009 and the State of Washington since 2020. Jerry Davis, CPA/PFS owns 100% of the firm.

We provide Fee-Only, financial planning, investment advice and investment management services to individuals and businesses. These services may be general in nature or focused on an area of interest or need, depending on the circumstances

### B. Financial Planning, Investment Advice and Investment Management Services

#### Financial Planning and Investment Advice

Regarding the financial planning and investment advice process, first, we gather information about the client’s personal financial situation and then conduct a meeting with the client to clarify the client’s personal financial information and determine the client’s specific needs, objectives, goals and tolerance for risk. Then, we analyze the client's current financial situation and possible future scenarios, when appropriate. Next, we present a summary of significant observations, assumptions and recommendations in each area we were engaged to provide advice. The engagement is concluded upon completion of this presentation. The client may re-engage us as needed. Periodic financial reviews are recommended, and it is the client's responsibility to initiate these reviews.

**Financial Planning.** We will prepare a Retirement Planning / Lifetime Income Plan after consideration of each client’s goals together with their present and forecasted financial situation. These plans will provide clients with guidance as to the steps necessary (based upon statistical probability) to achieve their financial goals. These services may include specific investment recommendations for the client’s accounts or not. Clients make this selection in the Financial Planning and Investment Advice Agreement.

The financial planning process may be broad, as described above, or it may be limited to specific areas that are of interest to a client. Specific areas may include:

|   |
|---|
| <u>Cash flow / Debt management:</u> A review of your income and expenses will be conducted to determine your current surplus or deficit. Based upon the results, we will provide advice on prioritizing how any surplus should be used, or how to reduce expenses if they exceed your income. |
| <u>Review Employee Benefits:</u> A review is conducted, and analysis is made as to whether you, as an employee, are taking maximum advantage of your employee benefits  |
| <u>Tax Planning Strategies:</u> Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture.   |
| <u>Estate Planning:</u> Our review typically includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents.   |
| <u>Retirement Planning:</u> Retirement planning services typically include projections of your likelihood of achieving your financial goals, with financial independence usually the primary objective.   |
| <u>College Financing:</u> Advice involving college funding may include projecting the amount that will be needed to achieve post- secondary education funding goals, along with savings strategies and the “pros-and-cons” of various college savings vehicles that are available.            |
| <u>Investment Consultation:</u> Investment consultation services often involve providing information on the types of investment vehicles available, employee retirement plans and/or stock options, investment analysis and strategies, asset selection and portfolio design.                 |
| <u>Annual Review:</u> We will conduct an annual review your Financial Plan based upon your financial circumstances at the time of the review including your updated suitability information.  |

**Investment Advice.** We recommend a proper asset allocation based on the client’s personal financial situation. We recommend specific investments to fill out the recommended asset allocation. An investment advice engagement is concluded upon completion of these recommendations. The client will be responsible for implementing the recommendations. The client may re-engage us as needed. We recommend periodic reviews and it is the client's responsibility to initiate these reviews.

## Investment Management

Regarding investment management process, first, we gather information about the client’s personal financial situation and then conduct a meeting with the client to clarify the client’s personal financial information and determine the client’s specific needs, objectives, goals and tolerance for risk. Then, we will provide the client with an asset allocation study. A comprehensive financial plan is recommended but not required.

We recommend a proper asset allocation based on the client’s personal financial situation. If requested, then, we recommend specific investments to fill out the recommended asset allocation. Generally, we recommend that the portfolio be maintained by rebalancing at least annually and/or as needed.

**Investment Management.** An investment management engagement will continue until terminated by either party. See “Item 5: Fees and Compensation, Section D: Advance Payment and Termination” for a description of our termination policies. A Client may provide Jerry J Davis CPA PC with non-discretionary authority to implement the investment recommendations, this will depend on the type of engagement and service providers involved. Jerry J Davis CPA PC does not provide services on a discretionary basis. Client portfolios are reviewed quarterly. We recommend that clients meet with us quarterly to review performance and asset allocation. Additionally, we request that clients meet with us annually to update their suitability information and discuss changes in their financial plan which may affect their asset allocation. These meetings can be by phone, email or in person.

### C. Client Needs and Restrictions

Our services are tailored to each client, as described above. Jerry J Davis CPA PC allows clients to impose reasonable restrictions on the scope of the engagement. Reasonable restrictions, including special instructions and limitations, must be provided in writing.

### D. Wrap Fee Programs

Jerry J Davis CPA PC does not participate in any wrap fee programs.

### E. Assets under Management

As of February 6, 2021, we have \$16,546,542 non-discretionary regulatory assets under management.

## ITEM 5: FEES AND COMPENSATION

Jerry J Davis CPA PC charges fees on a Fee-Only basis. Clients may incur fees under a fixed fee, hourly or a percentage of assets under management fee structure.

For Financial Planning, Investment Advice and Investment Management services, we will send the client a written invoice, including the fee, the formula used to calculate the fee, the fee calculation itself, and the time period covered by the fee. Additionally, for Investment Management services, the invoice will include the amount of assets under management on which the fee was based and the name of your account custodian(s). We will send the invoice to you concurrent with the request for payment or payment of our advisory fees. We urge each client to compare this information with the fees listed in the account statement provided by your custodian, as applicable.

When applicable, the Oregon Corporate Activities Tax will be added to our invoices. There may be exceptions to the Oregon Corporate Activities Tax for non-Oregon clients.

Please note that our fees may be higher than normally charged in the industry and similar services may be offered by another advisor at lower fees.

## A. Fee Description

### Financial Planning and Investment Advice

**Hourly.** For financial planning and investment advice services, our hourly rates depend on the staff member providing the services. For clerical staff, we charge \$60/hour and for Mr. Davis, certified public accountant and personal financial specialist, we charge \$350/hour. Hourly fees are billed in six (6) minute increments. The total fee charged will be based upon the complexity of the case.

**Fixed Fees.** We may also charge fixed fees that are based on our hourly rate multiplied by the approximate number of hours that are anticipated to provide the requested service. Projects spanning more than three months may be billed quarterly.

We may require a deposit for engagements in the amount of the lesser of \$500 or half of the total estimated fee. The balance of fees due is payable immediately upon presentation of the advice to the client. Fees will not be collected for services to be performed more than six months in advance and in excess of \$500. For each engagement, proposed services and an estimated fee range are detailed in the Financial Planning and Investment Advice Agreement.

### Investment Management

Clients engaging the firm for investment management services are charged a fee based upon the assets under management. These fees are charged quarterly in arrears based on the market value of the account at the last trading day of the quarter. The annual fee will be 0.75%.

The minimum quarterly fee is \$200.00 for one account and \$25 per each additional account managed. Household accounts are combined for the minimum fee calculation as described in the client's Investment Management Agreement. Clients with under \$100,000 in total household investable are advised that our investment management fees for individuals at their asset level are higher than industry standards and we encourage you to seek alternatives.

The firm does not accept clients with Household account size under \$50,000.00

## B. Fee Deduction

These fees may be deducted from the client's investment account or invoiced and paid separately depending on the client agreement.

## C. Third Party Fees and Expenses

In connection with using our investment management services, the client may also incur separate fees and expenses that are charged by mutual funds and/or exchange traded funds (ETFs). We recommend that the client review the investment prospectus for a complete explanation of these fees and expenses. In addition, the client may also incur separate transaction costs or administration fees from brokerage firms. We recommend that the client obtain a complete schedule of fees from their brokerage firm. We do not receive any portion of these other fees. We do not receive commissions or third-party payments of any kind. The only compensation we receive is in the form of fees paid directly by the client.

## D. Advance Payment of Fees and Termination

The Firm's Financial Planning and Investment Advice Agreement and Investment Management Agreement provide that:

Either party may terminate this Agreement at any time by providing written notice to the other party. If the Firm's Form ADV Part 2A/2B (disclosure brochure and supplement) was not delivered to the Client at least 48 hours prior to entering into the Agreement, then the Client has the right to terminate the engagement without penalty within five business days after entering into the Agreement. For the purposes of this provision, a contract is considered entered when all parties to the contract have signed the contract.

Upon termination in any other circumstance, Client will be assessed fees on a prorated basis for services provided and/or work performed until the date of termination. In the case of prepaid fees, the firm will return the unearned amount within 30 days of receipt of written termination notice. Upon termination, the Client is not entitled to nor will the Client receive partially completed work product. However, if, in the sole discretion of the firm, the work product is sufficiently complete for delivery, it will be delivered. We will not be responsible for any future allocations, transactions or advice upon termination.

## E. Compensation for the sale of securities or other investment products

Jerry J Davis CPA PC and its officers, directors and employees do not receive compensation for the sale of securities or other investment products.

### ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Jerry J Davis CPA PC does not charge fees based on a share of capital appreciation of the funds of an advisory contract, also known as performance-based fees.

### ITEM 7: TYPES OF *CLIENTS*

Jerry J Davis CPA PC provides its services to individuals, small businesses, estates, trusts, charitable organizations, employment plans, and corporations. We do not require minimums as to income, assets, net worth, length of engagement, revenues generated or other conditions for engaging our services.

However, for our Investment Management services, the minimum quarterly fee is \$200.00 for one account and \$25 per each additional account managed. Household accounts are combined for the minimum fee calculation as described in the client's Investment Management Agreement. Clients with under \$100,000 in total household investable are advised that our investment management fees for individuals at their asset level are higher than industry standards and we encourage you to seek alternatives. The firm does not accept clients with Household account size under \$50,000.

### ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

If Jerry J Davis CPA PC is engaged to provide investment advice or investment management services, first, we gather information about the client's personal financial situation including the client's specific needs, objectives, goals and tolerance for risk. We employ a fundamental, long-term, buy-and-hold philosophy and favor a passive approach to investing.

We recommend an asset allocation based on the client's personal financial situation. We make asset allocation and investment policy decisions using our best judgment to help the client achieve their overall financial objectives and goals while minimizing risk exposure. We believe that the appropriate allocation of assets across diverse investment categories (i.e. stock vs. bond, foreign vs. domestic, large cap. vs. small cap., high quality vs. high yield, etc.) is the primary determinant of portfolio returns and is critical to the long-term success of a client's financial objectives and goals. As requested, we will recommend specific investments, primarily low-cost, no-load, index investments, to fill out the



recommended asset allocation. We recommend that the portfolio be maintained by rebalancing about annually and/or making adjustments as needed.

While we believe our investment strategies are designed to potentially produce the highest possible return for a given level of risk, it cannot guarantee that an investment objective or goal will be achieved.

**Investing in securities involves risk of loss that clients should be prepared to bear. This includes the loss of the original principal amount invested. The firm does not guarantee the future performance of an account or any specific level of performance, the success of any investment decision or strategy that the firm may use, or the success of Jerry J Davis CPA PC's overall management. Clients understand that investment decisions made for the client's account by Jerry J Davis CPA PC are subject to various market, currency, economic, political, and business risks, and that those investment decisions will not always be profitable.**

**Exchange Traded Funds ("ETFs").** ETFs are traded on stock exchanges or on the over-the-counter market. An investment in an ETF generally presents the same primary risks as an investment in a conventional mutual fund (see below) that has the same investment objectives, strategies, and policies. The price of an ETF can fluctuate up or down, and a client account could lose money investing in an ETF if the prices of the securities owned by the ETF go down. In addition, ETFs are subject to the following risks that do not apply to conventional mutual funds:

- The market price of an ETFs shares may trade above or below their net asset value;
- An active trading market for an ETF's shares may not develop or be maintained; or
- Trading of ETFs shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally.

**Index Investments.** Generally, the firm will recommend investing in low-cost, no-load, index investments. These investments have the potential to be affected by tracking error risk, which is defined as a deviation from the stated benchmark index. Additional risks of these investments may include but not limited to lack of flexibility and underperformance.

**Mutual Fund Risk.** Mutual Funds are managed independently of a client's account. With all investments, past performance does not guarantee future results. A manager who has been successful in the past may not be able to replicate that success in the future. In addition, the Firm no control of the underlying investments in a fund, managers of different funds held by the client may purchase the same security, thus increasing the risk to the client if that security were to fall in value. An additional risk is that a manager may deviate from the stated investment mandate or strategy of the fund, a circumstance that could make the holding(s) less suitable for the client's portfolio. Additionally, these investments are subject to the same risks as the underlying investments. These investments are subject to the risks of the mutual fund's investments and expenses. The client account may receive distributions of taxable gains from portfolio transactions by the manager and may recognize taxable gains from transactions in shares of that mutual fund, which would be taxable when distributed.

## ITEM 9: DISCIPLINARY INFORMATION

Neither Jerry J Davis CPA PC nor any of its personnel have been the subject of a reportable legal or disciplinary event.

## ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

### A. Relationship with a firm regulated by FINRA

Jerry J Davis CPA PC has no relationships to disclose.

### B. Relationship with a firm regulated by the CFTC

Jerry J Davis CPA PC has no relationships to disclose.

### C. Other Relationships – Conflicts of Interest

Although, the firm, Jerry J Davis CPA PC, is licensed by the Board of Accountancy in the State of Oregon, the firm does not provide accounting services. Jerry J Davis CPA/PFS, an individual, is licensed as a CPA with the Oregon Board of Accountancy and has obtained the Personal Financial Specialist (PFS) designation from the AICPA. He is a 33 1/3 partner in the accounting firm of Davis and Graves CPA LLP, a full-service CPA firm licensed by the Board of Accountancy in the State of Oregon. Mr. Davis spends 60% of his time on these activities. This creates a conflict of interest because the majority of Mr. Davis' time and compensation is spent on these activities. We address this conflict of interest through our adherence to our fiduciary obligations and our policies and procedures.

Clients of Jerry J Davis CPA PC seeking financial advice may also be clients of Davis & Graves CPA LLP. Clients will receive separate engagement letters (client service agreements) outlining services to be provided by either firm. Davis & Graves CPA LLP along with Jerry J Davis CPA PC receive separate invoices for services provided.

Jerry J Davis CPA/PFS is a member of the Garrett Planning Network (Garrett), a professional organization that assists financial planners in fee-only financial planning practices. Garrett is not a registered financial industry participant, nor do its activities require it to be. Jerry J Davis CPA PC pays an annual membership fee to Garrett for extensive services that include training, compliance and operational support to enhance our ability to provide quality service and advice to our clients. Our affiliation with this organization does not present at conflict of interest to our clients. Participation with this organization takes less than 10% of Mr. Davis' time.

### D. Referral Fees from Other Investment Advisers

Our firm does not receive referral fees from other investment advisers.

## ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN *CLIENT* TRANSACTIONS AND PERSONAL TRADING

### A. Code of Ethics

Jerry J Davis CPA PC has adopted a code of ethics that sets forth the basic policies of ethical conduct for all associated persons of the firm. We seek to comply with the mandates and requirements of applicable laws and regulations, but also to take responsibility to act in an ethical and professionally responsible manner. We will be happy to provide a copy of our code of ethics to any client or prospective client, upon request.

### B. Material Financial Interest in Securities

Neither Jerry J Davis CPA PC nor any of its personnel have a material financial interest in securities that it recommends.

### C. Same Securities

The personnel of Jerry J Davis CPA PC are permitted to invest their personal trading accounts, subject to certain restrictions, and may in certain circumstances invest in the same or related securities as the clients of the firm, including in some instances doing so at or about the same time as a client transaction is entered. The firm manages the conflicts of interest inherent in employee personal trading by enforcement of its Code of Ethics. Personnel and related parties will not receive preferential treatment over the client.

Additionally, please note that personnel and related parties may make recommendations or take actions with respect to investments that differ in the nature or timing from recommendations made to, or actions taken for, other clients or personnel.

### D. Concurrent securities transactions

Please refer to Items 11.A, 11.B, and 11.C.

## ITEM 12: BROKERAGE PRACTICES – INVESTMENT MANAGEMENT

### A. Selecting and Recommending Broker-Dealers

If we are engaged to provide investment management services, we will offer to use the service provider with whom the client's assets are currently maintained. If the client prefers to use a new service provider, generally, we will recommend TD Ameritrade Institutional.

In selecting TD Ameritrade Institutional as the qualified custodian and brokerage firm that we recommend, Jerry J Davis CPA PC has considered a variety of factors including but not limited to the execution quality, commission rate, responsiveness, the value of any research provided, financial responsibility, security and ease of use for the client. We seek to recommend service providers that will hold your assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services.

For our clients' accounts that TD Ameritrade Institutional maintains, TD Ameritrade Institutional is compensated by charging commissions or other fees on trades that they execute or that settle into the client's account. The commission rates applicable to our client accounts were negotiated based the total asset value of client accounts held with TD Ameritrade Institutional.

#### Research and Soft Dollar Benefits

The term "soft dollars" refers generally to the practice by investment advisers of paying for research and brokerage services using brokerage commissions generated by the execution of trades for their clients' accounts. Jerry J Davis CPA PC does not have a formal soft dollar relationship with TD Ameritrade Institutional.

However, we do receive research and other products or services from TD Ameritrade Institutional. TD Ameritrade Institutional provides us with access to their institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors at no charge to them so long as the independent investment advisors maintain a minimum amount of assets with the custodian.

Services that we may receive include, but are not necessarily limited to: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk; access to block trading which provides the ability to aggregate securities transactions and allocate the appropriate shares to client accounts; the ability to have investment advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; and access to mutual funds that generally require significantly higher minimum initial investments or are generally only available to institutional investors.

TD Ameritrade Institutional also makes available to us other products and services that benefit our firm but may not benefit clients' accounts. Some of these other products and services assist us in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmation and account statements); provide research, pricing information and other market data; facilitate payment of the firm's fees from its clients' accounts; and assist with back office functions; record keeping and client reporting. Many of these services generally may be used to service all or a substantial number of our accounts, including accounts not maintained at TD Ameritrade Institutional. We also receive other services intended to help our firm manage and further develop our business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing.

Our recommendation that you maintain your assets in accounts at TD Ameritrade Institutional may be based in part on the benefit to us in the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided. This creates a conflict of interest. In recognition

of the value of the services TD Ameritrade Institutional provides, you may pay higher trading or commission costs than those that may be available elsewhere.

We periodically review our policies regarding recommending service providers, considering our duty to seek best execution.

#### Brokerage for Client Referrals

Jerry J Davis CPA PC does not receive client referrals from broker-dealers.

#### Directed Brokerage

If we are engaged to provide investment management services, we will offer to use the service provider with whom the client's assets are currently maintained. If the client prefers to use a new service provider, generally, we will recommend TD Ameritrade Institutional.

### ITEM 13: REVIEW OF ACCOUNTS

#### Financial Planning and Investment Advice

Financial planning engagements conclude upon presentation of a summary of significant observations, assumptions and recommendations in each area we were engaged to provide advice. Investment advice engagements conclude upon presentation of a recommended asset allocation based on the client's personal financial situation. If requested, then, we recommend specific investments to fill out the recommended asset allocation.

Jerry J Davis CPA PC does not provide continuous monitoring of its financial planning and investment advice services. Periodic reviews are recommended, and it is the client's responsibility to initiate these reviews. We remind the client to notify us of any changes to their personal financial situation.

#### Investment Management

An investment management engagement will continue until terminated. Please see "Item 5 – Fees and Compensation, D – Advance Payment of Fees and Termination" for a full discussion of our termination policies.

Client portfolios are reviewed quarterly. We recommend that clients meet with us quarterly to review performance and asset allocation. Additionally, we request that clients meet with us annually to update their suitability information and discuss changes in their financial plan which may affect their asset allocation. These meetings can be by phone, email or in person.

Clients receive regular monthly statements from TD Ameritrade Institutional and are responsible for reviewing those statements for accuracy. Our clients are encouraged to review trade confirmations and account statements provided by the custodian.

### ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

Jerry J Davis CPA PC does not receive, nor does it pay, any fees for client referrals.

### ITEM 15: CUSTODY

Jerry J Davis CPA PC does not take custody of client cash, bank accounts or securities. However, we are deemed to have custody when clients authorize the firm in writing to deduct its fees directly from their investment accounts. The client's cash, bank accounts and securities will be maintained by unaffiliated, qualified custodians, such as banks, brokerage firms, mutual fund companies and transfer agents. The client will receive account statements directly from their custodian. Jerry

J Davis CPA PC will send each client an itemized invoice. For a detailed description of the invoices, please see “Item 5 – Fees and Compensation”.

Firm personnel will not act as trustee for, or have full power of attorney over, a client account, unless as a trustee of an immediate or incompetent family member.

#### **ITEM 16: INVESTMENT DISCRETION**

For clients than engage Jerry J Davis CPA PC for investment management services, these services are provided on a non-discretionary basis. You will provide us with non-discretionary authority when you sign the Investment Management Agreement. Additionally, you will sign an authorization with your custodian, typically, these are called limited trading authorizations. By providing us with non-discretionary authority, we require your approval to implement investment decisions, such as buys or sells of securities on behalf of an account. This means that we will provide you with investment recommendations and if you agree to these recommendations, we will implement the transactions.

#### **ITEM 17: VOTING CLIENT SECURITIES**

Jerry J Davis CPA PC does not vote client securities. The client will maintain responsibility for directing the manner in which proxies are voted, as well as all other elections relative to mergers, acquisitions, tender offers or other events pertaining to the client’s investments. The client will receive their proxies and other solicitations directly from the custodian or transfer agent for their investments.

#### **ITEM 18: FINANCIAL INFORMATION**

Jerry J Davis CPA PC does not require or solicit the prepayment of more than \$500 in fees six months or more in advance. Due to the nature of our services, an audited balance sheet is not required, nor included in this disclosure document. Jerry J Davis CPA PC does not have any financial conditions that require further disclosure.

#### **ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

##### **A. Officers and Management Person(s)**

Jerry J Davis CPA PC is an Oregon professional corporation. It was organized in 1989 and has been registered with State of Oregon as an investment adviser firm since 2009 and the State of Washington since 2020. Jerry Davis, CPA/PFS owns 100% of the firm. Mr. Davis’ business and educational background is provided in the Form ADV Part 2B Supplement which follows.

##### **B. Outside Business activities**

Please see Item 10 – Other Financial Industry Activities.

##### **C. Performance-Based Fees**

Jerry J Davis CPA PC and its officers, directors and employees do not accept performance-based compensation.

##### **D. Disciplinary Disclosure**

Jerry J Davis CPA PC has no information to disclose.

##### **E. Relationship with Issuer**

Jerry J Davis CPA PC has no relationships or arrangements with issuers to disclose.

## Jerry J Davis CPA PC

700 N Main Ave.  
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Jerry J. Davis, CPA/PFS

February 6, 2021

The brochure supplement provides information about Jerry J. Davis, CPA/PFA that supplements the Jerry J Davis CPA PC (CRD #: 150939). brochure. You should have received a copy of that brochure. Please contact Jerry J. Davis, CPA/PFS if you did not receive Jerry J Davis CPA PC' brochure or if you have any questions about the contents of this supplement - contact us at 503-665-0173 or Jerry@jjdcpa.com

**Additional information about Jerry J. Davis, CPA/PFS (CRD #: 5697078) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## ITEM 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Jerry J Davis CPA/PFS born 1956

### Education:

|                         |  |      |
|-------------------------|--|------|
| Oregon State University | Bachelor of Science in Business Administration | 1978 |
|-------------------------|--|------|

### Business Background:

|                                       |                |
|---------------------------------------|----------------|
| President/CEO of Jerry J Davis CPA PC | 1989 - Present |
| Partner Davis & Graves CPA LLP        | 2010 - Present |

### Licensing:

|                                   |   |                |
|-----------------------------------|---|----------------|
| CPA (Certified Public Accountant) | Certified Public Accounting examination<br>Certified Public Accountant (CPA) licensed in Oregon | 1980 - Present |
|-----------------------------------|---|----------------|

**Certified Public Accountants (CPAs)** are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination.

In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two-year period or 120 hours over a three-year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous Code of Professional Conduct which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services. Most state boards of accountancy have adopted the AICPA's Code of Professional Conduct within their state accountancy laws or have created their own.

The Personal Financial Specialist (PFS®) credential demonstrates that an individual has met the minimum education, experience and testing required of a CPA in addition to a minimum level of expertise in personal financial planning. To attain the PFS credential, a candidate must hold an unrevoked CPA license, fulfill 3,000 hours of personal financial planning business experience, complete 80 hours of personal financial planning CPE credits, pass a comprehensive financial planning exam and be an active member of the American Institute of Certified Public Accountants (AICPA). A PFS credential holder is required to adhere to AICPA's Code of Professional Conduct and is encouraged to follow AICPA's Statement on Responsibilities in Financial Planning Practice. To maintain their PFS credential, the recipient must complete 60 hours of financial planning CPE credits every three years. The PFS credential is administered through the AICPA.

## ITEM 3: DISCIPLINARY INFORMATION

Mr. Davis has nothing to disclose regarding any legal or disciplinary events material to a client's evaluation of her integrity.

## ITEM 4: OTHER BUSINESS ACTIVITIES

Although, the firm, Jerry J Davis CPA PC, is licensed by the Board of Accountancy in the State of Oregon, the firm does not provide accounting services. Jerry J Davis CPA/PFS, an individual, is licensed as a CPA with the Oregon Board of Accountancy and has obtained the Personal Financial Specialist (PFS) designation from the AICPA. Mr. Davis is a 33 1/3

partner in the accounting firm of Davis and Graves CPA LLP, a full-service CPA firm licensed by the Board of Accountancy in the State of Oregon. Mr. Davis spends 60% of his time on these activities. This creates a conflict of interest because the majority of Mr. Davis' time and compensation is spent on these activities. We address this conflict of interest through our adherence to our fiduciary obligations and our policies and procedures.

Clients of Jerry J Davis CPA PC seeking financial advice may also be clients of Davis & Graves CPA LLP. Clients will receive separate engagement letters (client service agreements) outlining services to be provided by either firm. Davis & Graves CPA LLP along with Jerry J Davis CPA PC receive separate invoices for services provided.

Jerry J Davis CPA/PFS is a member of the Garrett Planning Network (Garrett), a professional organization that assists financial planners in fee-only financial planning practices. Garrett is not a registered financial industry participant, nor do its activities require it to be. Jerry J Davis CPA PC pays an annual membership fee to Garrett for extensive services that include training, compliance and operational support to enhance our ability to provide quality service and advice to our clients. Our affiliation with this organization does not present at conflict of interest to our clients. Participation with this organization takes less than 10% of Mr. Davis' time.

#### **ITEM 5: ADDITIONAL COMPENSATION**

Except as otherwise described in Item 12 of the Brochure, Mr. Davis does not expect to receive any economic benefit from any non-advisory client for providing investment advice or other advisory services to our clients.

#### **ITEM 6: SUPERVISION**

Mr. Davis serves in multiple capacities for Jerry J Davis CPA PC: CEO, Principal, Financial Planner and Investment Adviser Representative (IAR). Mr. Davis will be supervising his own activities. We recognize that the lack of segregation of duties may potentially create conflicts of interest. However, we employ policies and procedures to ensure timely and accurate recordkeeping and supervision. Additionally, we engage outside compliance consultants and attorneys to assist in these efforts when necessary.

#### **ITEM 7: REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

Mr. Davis has nothing to disclose regarding any legal, disciplinary, or financial events.