

Planning now eases settling an estate later

Given my previous career as a financial planner and investment adviser, I used to tell people to "do estate planning."

With the recent passing of my father, I realized that there are lots of things you can do beyond meeting with a qualified estate attorney (which I highly recommend) to make the settlement of your estate easier for your heirs.

Before death, here are the basic documents you will need:

LEGAL DOCUMENTS

- Will
- Letter of Instruction
- Power of Attorney
- Health Care Proxy
- Trusts — not necessary, but many people have either revocable (changeable) or irrevocable (not-changeable — depending on family situations)
- "DNR" or "Do Not Resuscitate" order (this may need to be completed upon each new admission to a hospital or nursing home)

ACCOUNTS

- List of all bank accounts
- List of all user names and passwords
- List of automatic pay accounts with name and contact information of each payee
- List of safe-deposit boxes
- 401(k) accounts
- IRAs, Roth IRAs
- Pension documents
- Annuity contracts
- Brokerage account information (name, contact phone number and email address)
- Detailed list of savings bonds (and copies of actual bonds)
- Life insurance policies (private and through employer)
- Long-term care insurance policies

OTHER DOCUMENTS

- Housing, land and cemetery deeds
- Mortgage accounts
- Proof of loans made
- Vehicle title
- Partnership and corporate operating agreements
- Previous three years' tax returns
- Marriage license
- Divorce papers
- Military discharge information
- List of contact information (contacts on accounts, names, current addresses and Social Security numbers of all people named in the legal documents, as well as the contact information for the estate attorney and CPA who will be handling the estate.

After completing all of this hard work, you need to inform your executor as to where everything is stored. You may even want to review all of the information so you can answer any questions



while you can. After death, things get complicated.

Although I was well versed in the process of settling an estate, it was still mind-blowing

to wade through the process while the family was still grieving. I was careful not to go too fast with my mother, so that she didn't feel overwhelmed. It's helpful to remember that everyone in the family grieves in different ways, which is why patience and compassion are often your most valuable commodities during the process. Here are some tips growing out of my experience:

GET ORGANIZED

I found solace in a spreadsheet, which helped me keep track of the estate settlement progression, but you can use any system that works for you. Keep in mind that there are usually many moving parts, and you may not be at the top of your game for remembering everything that needs to get done. A visit to your favorite stationery store will help you keep records of everything stored neatly in one location.

REQUEST PLENTY OF DEATH CERTIFICATES

Some institutions want originals, not copies, and it's easier to make the request from the funeral home, not after the fact from the city or state.

KEEP TRACK OF ALL BILLS THAT ARE ATTRIBUTABLE TO THE ESTATE

These include funeral and memorial arrangements, death notices and other ancillary expenses. The estate can reimburse individuals for these costs.

CONTACT THE ESTATE ATTORNEY

When you're ready, schedule time to meet with the estate attorney. He or she will likely tell you to gather documents and to ascertain a date of death valuation for all accounts to which the deceased held title. If there is a surviving spouse, you should itemize what's in both the living and deceased spouse's names.

CONTACT THE CPA

Even if there are no estate taxes due, in most cases, it will be necessary to file an estate tax return. It may make sense to hire a pro to help walk you through the process.

A well-planned estate is a wonderful legacy you can leave your heirs; instead of untangling a messy estate, they can follow concrete steps, which allows them to take care of business while mourning their loved one.

Jill Schlesinger, a certified financial planner, is a CBS News business analyst. She welcomes emailed comments and questions.

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Help grieving families deal with estates



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Last year, about two weeks after my father died, I wrote about the process of settling an estate. At the time, I didn't realize how much time and work the process would take, but four months later, I have to admit that it became a part-time job.

The experience has been sobering — I have been like the doctor who suddenly becomes a patient. Only after living through the health care system can the doctor appreciate just how awful it can be for the patient. So, too, for this former investment adviser, who has become the client. Now, I am the one who is forced to read through reams of unfamiliar paperwork, respond to countless requests for

information and deal with financial professionals who, while well-intentioned, often miss the mark. For those professionals who are helping a family settle an estate, here are a few things to keep in mind:

Do not talk about losing your relative.

If you are about to say, "When my father died," stop yourself. I know you are just trying to be nice, but talking about your loss is not helpful. These types of comments often occurred when my mother would get weepy and the professional felt the need to say something. Please know that there is no need to utter a word, but if you must, you can just say, "I am so sorry this is so hard." That's it.

Provide a one-page checklist to help guide the client through the process.

Most executors and trustees are thrown into unfamiliar territory when dealing with an estate. They often don't know what the process involves. So, after the initial meeting, it would be helpful to follow up with a checklist of what will happen. Because I had been an adviser, I knew the ropes, but there were times where I was drawing flow charts for my sister and mother to help explain the progression of events.

When you or your firm has made a mistake, admit it, apologize and move on.

Setting an estate is an administrative hassle, and there are bound to be mistakes. As a client, all I want is for you to quickly admit to the mistake and to apologize, so we can move on. There is nothing more exasperating to a client than to hear "it's not a big deal."

If you are talking to the surviving spouse, know that he or she may not be able to absorb what you are saying.

My mother is a smart and competent woman, but I notice that in the aftermath of my father's death, it can sometimes be tough for her to stay focused on details. If you are discussing a legal, accounting or investment issue, be prepared to repeat what you are saying at a later date. (For this reason, I recommend that a family member accompany the survivor to as many of these meetings as possible.)

Understand that transitions can be difficult.

For 52 years, my parents had a nifty division of labor. My mother managed the day-to-day aspects of the household and paid every bill, while my father took care of the investments and taxes. As I sat with my mother in the accountant's

office, he was so wonderful, taking the time to explain some of the details of the return and what information he needed her to gather. I was especially grateful every time he would pause and look at her and say, "Does that sound OK to you?"

In these types of situations, I can't stress enough the importance of working with professionals with whom you feel comfortable so you can feel free to ask questions and who can respond to your needs with professional care and human compassion.

If you do not have such a relationship, you should know there are plenty of terrific folks out there who can help you out.

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