

Estate planning details you may be forgetting

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Who pays the bills in your house? If your house is like most, there is probably one person who handles most of the financial matters. Would you or your spouse be prepared to assume the role of managing the household finances if something happened to the other spouse? Too often, clients have gone through the process of ensuring their estate plan is in order, just to realize that, when one passes away, the other does not have the information they need to pick up where the other left off.

After the wills, power of attorneys, and medical directives are created and the other crucial estate planning components are addressed, take some time to consider your unique family situation and the details that would make the transition more difficult to navigate following a death. Consider the checklist below when organizing your household finances.

1. Organize your financial documents and personal information. Leaving behind an organized filing system including everything from account information to contact numbers will help your spouse or children when they need to sort through that information. Imagine the frustration of having to dig through scattered envelopes and stacks of papers to find account information after the recent loss of a loved one. Make sure your spouse knows the location of where personal information is kept, including Wills, Trust documents, insurance information, social security cards, birth certificates, medical records, tax return information, etc. Write the names and contact information of family members, friends, and other emergency contacts. Include the contact information for the professionals you use, such as your doctors, lawyers, attorneys, CPAs, financial planners, insurance agents, etc.
2. Make a list of all of your assets and liabilities. Your assets should include bank accounts, brokerage accounts, safety deposit boxes, properties, etc. Your liabilities should include credit cards, mortgages, car payments, etc. For each item, list the location, the names on the accounts, the account numbers, and any website login information including usernames, passwords, and security questions. If you were to pass away, this would help your spouse identify what and where all of your assets are.
3. Identify all sources of income and expenses. This will give your spouse a checklist to follow so they can understand what inflows to expect as well as what bills need to be paid. Indicate whether you pay each bill by paper or online. If online, be sure to include the usernames, passwords, and security information to access the websites.
4. Document any other miscellaneous information that your spouse might need to run the household. This part of the planning is not always financial, but still very important. For example, does your spouse know where you keep the spare keys to your house, or any keys to gates, sheds, lock boxes, or safes? Make an effort while you are going through your daily routine to think of things that are obvious to you, but may not be as obvious to your spouse or children. Include a list of passwords for social media and other online accounts, passwords for tablets and other electronic devices, locations of flash drives or CDs with old family pictures, and even a basic household maintenance checklist.

Sometimes it is the intimate details of a family's situation that can be hardest to plan for, but detailed planning will result in the peace of mind that the spouse and family will be taken care of in the event of death or incapacitation. Sit down with a trusted advisor if you need assistance with planning for these and other life events.

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