Wall Street Journal

The Key to Protecting Your Assets—After Your Death;

Estate planners say there are ways to make sure that what you leave behind is what your heirs will get

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1012 words
21 October 2018

People usually take great pains to protect their assets from would-be thieves during their lifetimes. But they don't always give a lot of thought to safeguarding their estates from interlopers after death.

Estate-planning experts say it is important that individuals put certain safeguards in place while they are still alive—and to instruct heirs to institute other protective measures posthumously.

While nothing is full-proof, here are a few steps that can offer an added layer of protection.

Checks and balances

In most cases, experts recommend naming two or more executors to make sure that the deceased's property is collected properly and distributed appropriately. Such an arrangement ensures there is more than one set of eyes involved in coordinating the deceased person's financial life, says Lynn Halpern, senior fiduciary counsel at Bessemer Trust.

Families with complicated assets might consider hiring a professional to be the second executor as an added safeguard. Costs for these services can vary depending on the will, the state and the corporate executor selected, Ms. Halpern says.

Experts also recommend naming two or three trustees to invest and distribute any assets held in trust. From a cost and simplicity perspective, many people choose to name only one trustee, but there can be a downside to doing this.

"Any time you name one person who can act with autonomy, you increase the level of risk," says Bob Wyche, partner and managing director at Waldron Private Wealth, a registered investment adviser in Bridgeville, Pa. While naming multiple trustees doesn't guarantee thievery won't occur, it lessens the likelihood, he says. "It's just another system of checks and balances because you can't do anything unilaterally."

It is very common for individuals to name the attorney who drafted their trust as the sole trustee, but Mr. Wyche discourages this setup. If a lawyer is simply drafting documents, he or she doesn't have access to the funds. But if the attorney has sole authority over the assets, the risk of trouble rises, he says.

If people want to use their attorney as trustee, he suggests they at least name a co-trustee. It could be a family member who is familiar with the deceased's wishes, or a professional, corporate trustee.

Before picking a family member as co-trustee, make sure he or she understands the responsibilities that come with the job—and has enough financial knowledge to identify when someone might not be acting in good faith.

"It may not always be clear to [individual family members] where the line is," Mr. Wyche says.

With an institutional trustee, families will receive more frequent statements, and there is typically oversight from a corporate level to ensure no one individual acts inappropriately, experts say. But such services can be pricey.

Generally speaking, families should expect to pay about 1% of assets for institutional trustee commissions. This fee may be more or less, depending on factors such as applicable state law, the family's assets and the trust company. Separate investment management charges may also apply.

Still, for some families it may be worth the added cost. "Most problems happen when people check out and aren't paying attention," says Jessica M. Warren, an estate-planning and probate attorney with Warren & Lewis in Austin, Texas. "But if you have a corporate trustee and pay attention, you'll be unlikely to miss something."

Another tactic for safeguarding assets held in trusts is to add contingencies to the will, such as requiring an annual accounting from trustees to beneficiaries or their guardians. Most corporate trustees are forthcoming with information, but private trustees generally don't do it unless a beneficiary requests the information, says Janis Cowhey, a partner at Marcum LLP, an independent public accounting and advisory services firm.

"If they know the cookie jar is being watched," she says, "it can take away temptation."

Safeguarding tangible assets

When it comes to protecting an estate, families are usually focused most on intangible assets such as bank or brokerage accounts. But Doug Schneidman, a trust and estates partner at Sullivan & Worcester in Manhattan, urges clients to also think about protecting tangible assets such as jewelry and artwork that can be at risk if there's unfettered access to the deceased person's home.

He advises clients to maintain an updated inventory of the assets in their home or apartment and take pictures. Not everyone does this, but having such a list helps heirs know what's there, and it helps prevent people from stealing things the heirs don't know about. Even if some of the items are insured and accounted for elsewhere, it helps to have everything listed in one place, Mr. Schneidman says.

Keep the list in a protected place, such as an attorney's office, with a financial adviser, in a house safe or with a child who is going to be the executor of the estate.

The moment someone dies, relatives close to the decedent should secure the apartment or home and quickly take an inventory of the assets, Mr. Schneidman says. He also recommends families severely limit access to the home going forward. This means only one or two trusted individuals should have keys.

"Many people manage their assets carefully while they are alive; they need to make sure that after they pass away that the goals they worked so hard to achieve are actually accomplished," says Ms. Halpern of Bessemer Trust.

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