

## Disaster Preparedness Makes Sense for Finances, Too

They've been on the market for years – so called “beneficiary books” and other template-based filing tools that can help an heir, spouse or executor sort through a person's affairs upon their incapacitation or death. There's no question that these tools make a lot of sense – but they're not only for the retirement set.

If 9/11 has taught Americans anything, it's that anyone, at any age, needs to plan for the unthinkable.

Any individual with assets should create an easy-to-find, easy-to-understand file of financial information and keep that data in a safe, accessible place at home, with their attorney or CERTIFIED FINANCIAL PLANNER™ professional and possibly with a trusted friend or relative who lives a safe distance away from the aforementioned locations.

This information may be organized in a pre-purchased kit, a school binder, or in scanned documents stored on a computer disk:

- Birth, death, marriage certificates (make a note to the holder of this file that they should immediately make at least 10 copies of each in case they are executor or are asked to help an executor);
- Divorce decrees with all relevant settlement information;
- Location of wills, trusts and any power of attorney information;
- Advanced healthcare directives;
- Adoption papers, if applicable;
- Key identification numbers, including drivers' license, passport and employee identification data;
- Recent bank and brokerage statements;
- Detailed funeral and burial wishes;
- Location of cash that may be used to handle emergency expenses;
- Recent medical records that may be good to have on hand if the individual is incapacitated;
- Copies of residential deeds and mortgage data;
- Car title, lease, loan information and license plate data;
- All insurance policy (health, disability and life) and agent contact information;
- Photocopies of credit and debit cards, front and back (displaying the individual's signature);
- A current copy of the individual's home financial software program reflecting up-to-date financial data;
- The locations for all critical paper documents and stocks and bonds;
- Where safe-deposit, lockbox and filing cabinet keys are;
- Contact information for the individual's human resources department at work;

- Location of tax returns for the last three years;
- All relevant contact numbers for executors, financial advisers, trustees, guardians, attorneys and any other pertinent individuals;
- All user IDs and passwords for online accounts, including access to computer;
- Guidelines on what to do about orphaned pets, including set plans for who will adopt them and pay for their care.

In organizing all this information, it makes sense for the individual to put themselves in the shoes of the people they've selected to handle things in a crisis. Since these individuals may be capable but still frazzled or upset, it's essential this information be simple to navigate and updated as often as possible. Some guidelines in organizing the documents:

**Start with a simply written table of contents:** When someone dies or is incapacitated, loved ones are typically distracted. They may forget details they've been told. That's why a detailed index of this data (with page numbers or folder labels) is so critical. Many people think that putting together a comprehensive binder or box of information is all they need to do, but a simple summary is particularly appreciated at stressful times.

**Set a time each year to review and revise this information:** Some experts advise individuals to update their will and other estate preparations every five years or as often as change takes place. This crisis information should be updated more often – optimally, every year. A person's address, relationship, job status and financial details can certainly change within a given year – that's why record keeping needs to keep pace with this information.

**Keep the team informed:** It's never easy to talk about death or illness with loved ones, but individuals need to make time to show their chosen family members and professionals this crisis kit, preferably where all this information is kept. If family members or advisers have questions or suggestions on how to better present this data, those ideas should be incorporated as time goes on.

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