

The Ultimate Estate Administration Procedures Training Package

MODULE #7: Client Service During the Administration Process and Collection of Assets

SPEAKER

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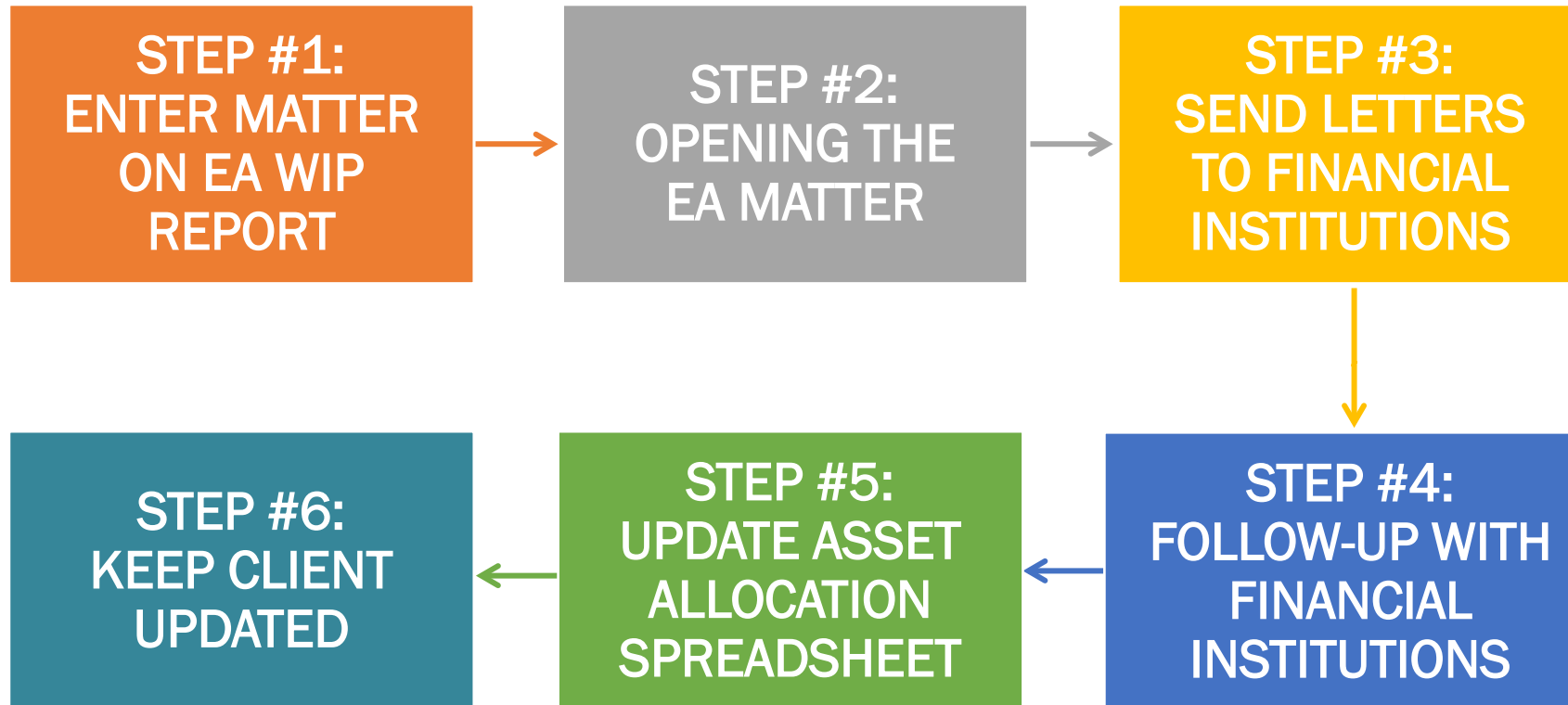


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FOLLOWING INITIAL MEETING & ENAGEMENT:

Opening the Matter & Gathering Assets

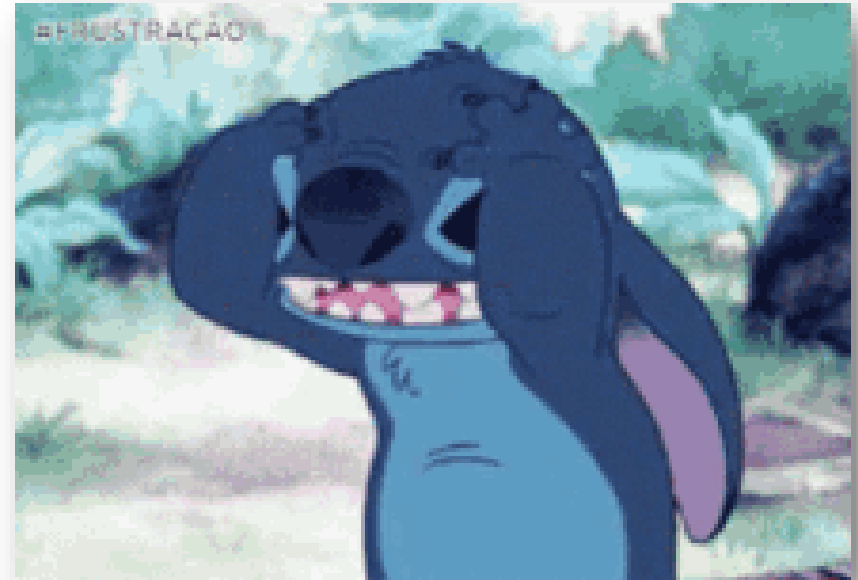




DEDICATED STAFF MEMBER AS MAIN POINT OF CONTACT

The Two Biggest Client Complaints and Sources of Frustration

- Not being able to get questions answered in a timely fashion
- Unsure where they are at in the process (and that progress is being made)



Dedicated EA Customer Service Rep

- Designate a specific staff member to be the main point of contact for the client
 - May wish to personally introduce this person to the client at the initial EA meeting
 - TIP: Have business cards handed to client at the initial EA meeting
- REQUIREMENTS:
 - Professional and personable communication skills (written and verbal)
 - Able to work in fast-paced environment
 - Organized and detail-oriented

DEDICATED EA CUSTOMER SERVICE REP:

Duties & Responsibilities

- Answer any phone calls and e-mails from current EA clients
 - Go over any questions for the attorney at dedicated check-in time (daily) and return phone calls
 - All e-mails should be immediately responded to (to acknowledge receipt)
- Communicate anything needed from the client
- Confirm any meetings, Zoom sessions or phone calls
- Can serve as backup for initial EA inquiries
- **KEY:** Once per month update with client regarding the status of their matter!



MAINTAINING A WORK IN PROCESS REPORT

The Work In Process (“WIP”) Report

- Consolidated report that shows all EA matters (separate from EP and other matters)
 - Simple Excel spreadsheet (EXHIBIT 38)
 - Ditch the fancy workflow software
- Visually able to track all matters
 - Can sort based on name, last point of contact, etc.
- Used by everyone in the department to update status of EA matters

Benefits of a WIP Report

- Ensure that no matters slip through the cracks (“out of sight, out of mind”)
- Makes monthly update easier
- Use to set monthly goals (which matters are close to closing), make revenue projections
- Helps keep the entire department organized



OPENING AN EA MATTER

The Different Types of EA Matters

PROBATE

**INCAPACITY
PACKAGE**

**SMALL ESTATE
ADMINISTRATION**

AB FUNDING
(with/without 706)

ABC FUNDING
(with/without 706)

**BENEFICIARY
DISTRIBUTION
PACKAGE**

TYPES OF EA MATTERS:

Probate

- Our law firm does not internally handle any Probate matters
 - Attorney fees are regulated by the Probate Court
 - Since we have a Living Trust-centered practice and we help get most clients to properly fund their Trust, we have very few matters that require probate
 - We do not have high enough volume to be efficient or profitable

TYPES OF EA MATTERS:

Probate

- However, if there is a Probate that should arise, we do take on uncontested matters and farm out the work to an outside Probate paralegal firm
 - See **EXHIBIT 137** for more resources
- All the administrative work is performed by outside paralegal, we still are the ones to represent the client for the Probate (including court appearances)

TYPES OF EA MATTERS:

Incapacity Package

- This is where a client is no longer able to make decisions for himself or herself and the Successor Trustee needs to step in
- We require 2 doctor letters before we will set up an appointment (EXHIBIT 42)

Incapacity Package Exhibits

- **EXHIBIT 42** – Doctor Letter Instructions Letter
- **EXHIBIT 43** – Incapacity Package Opening Letter
- **EXHIBIT 44** – Durable Power of Attorney (1 Trustee)
- **EXHIBIT 45** – Durable Power of Attorney (2 Trustees)
- **EXHIBIT 46** – Trust Certification (1 Trustee)
- **EXHIBIT 47** – Trust Certification (2 Trustees)

Incapacity Package Exhibits

- **EXHIBIT 48** – [Form SS-4 \(Application for EIN\)](#)
- **EXHIBIT 49** – HIPAA Authorization (1 Trustee)
- **EXHIBIT 50** – HIPAA Authorization (2 Trustees)
- **EXHIBIT 51** – Letter to Transfer Title (1 Trustee)
- **EXHIBIT 52** – Letter to Transfer Title (2 Trustees)
- **EXHIBIT 53** – Affidavit of Change of Trustee

TYPES OF EA MATTERS:

Small Estate Administration

- Mostly just for surviving spouses, don't have to do AB/ABC Funding or Form 706
- Preparing a new Certification of Trust and Affidavit of Death for real estate held in the Trust
- In some cases, they will need a Small Estate Affidavit (if deceased spouse had an account just in their name)

Small Estate Administration Exhibits

- **EXHIBIT 54** – Opening Letter (Deaths Before April 2022)
- **EXHIBIT 55** – 13101 Declaration (Deaths Before April 2022)
- **EXHIBIT 56** – Opening Letter (Deaths After April 2022)
- **EXHIBIT 57** – 13101 Declaration (Deaths After April 2022)
- **EXHIBIT 58** – Affidavit of Death and Change of Trustee

TYPES OF EA MATTERS:

AB & ABC Allocation & Funding

- **AB** - Married couple, where Living Trust required mandatory AB Funding (or by Spousal Disclaimer)
- **ABC** - Married couple, where Living Trust required mandatory ABC Funding (or by Spousal Disclaimer)
- Either with or without a Form 706
- NOTE: Occasional married couple cases where the Living Trust required mandatory AC Funding (not as common for our practice, but these documents can be modified to accommodate AC Allocation and Funding)

AB & ABC Funding Opening Exhibits

- **EXHIBIT 59** – Opening Letter (NO 706)
- **EXHIBIT 60** – Opening Letter (WITH 706)
- **EXHIBIT 61** – Client To-Do List – Asset Collection
- **EXHIBIT 62** – Assignment Form
- **EXHIBIT 63** – Fiduciary Statement Regarding Value of Personal Property
- **EXHIBIT 64** – Authorization to Release Information

TYPES OF EA MATTERS:

Beneficiary Distribution Package

- The most common of the EA matters that our firm takes on
- When a surviving spouse or single person passes away and we need to help settle the Trust estate and distribute the assets
- Can be done at the same time as certain assets are being probated

Beneficiary Distribution Package

Opening Exhibits

- **EXHIBIT 65** – Opening Letter (with Trust Certification)
- **EXHIBIT 66** – Opening Letter (without Trust Certification)
- **EXHIBIT 67** – General Trustee Procedures
- **EXHIBIT 68** – Beneficiary Notification Cover Letter
- **EXHIBIT 69** – Beneficiary Notice (1 Trustee)
- **EXHIBIT 70** – Beneficiary Notice (2 Trustees)
- **EXHIBIT 71** – Heir Notification Cover Letter

Transferring Real Estate Exhibits

- **EXHIBIT 72** – Opening Letter (with Trust Certification)
- **EXHIBIT 73** – Opening Letter (without Trust Certification)
- **EXHIBIT 74** – General Trustee Procedures
- **EXHIBIT 75** – Beneficiary Notification Cover Letter
- **EXHIBIT 76** – Beneficiary Notice (1 Trustee)
- **EXHIBIT 77** – [Los Angeles County Preliminary Change of Ownership Report \(PCOR\)](#)

Transferring Real Estate Exhibits

- **EXHIBIT 78** – [Change in Ownership Statement Death of Real Property Owner \(BOE-502-D\)](#)
- **EXHIBIT 79** – [Claim for Reassessment Exclusion for Transfer Between Parent & Child \(BOE-19-P – PROP 19\)](#)
- **EXHIBIT 80** – [Claim for Reassessment Exclusion for Transfer Between Grandparent and Grandchild \(BOE-19-G\)](#)
- **EXHIBIT 81** – [Claim for Homeowners' Property Tax Exemption \(BOE-266\)](#)

Required Notices

- **EXHIBIT 82** – Notice to California Franchise Tax Board
- **EXHIBIT 83** – Notice to Department of Health Care Services

Beneficiary Disclaimers

(Used Only When Timely and Appropriate)

- **EXHIBIT 84** – Disclaimer Cover Letter
- **EXHIBIT 85** – AB Funding Disclaimer
- **EXHIBIT 86** – Disclaimer of Inherited Property

706 Exhibits and Forms

- **EXHIBIT 87** – 706 Exhibit Cover Pages
- **EXHIBIT 88** – 706 Schedules
- **EXHIBIT 89** – Cover Letter for Application for Form 706 Extension (Form 4768)
- **EXHIBIT 90** – [IRS Form 4768 – Application for Form 706 Extension](#)
- **EXHIBIT 91** – IRS Cover Letter (No Tax Due)
- **EXHIBIT 92** – [IRS Form 706 – Estate Tax Return](#)



CONTACTING FINANCIAL INSTITUTIONS

GAME-CHANGING PART OF OUR EA PROCESS:

Contacting Financial Institutions to Get Necessary Information to Value Assets

- Clients could be assigned the task to reach out to financial institutions to get the necessary information
 - They don't have any experience doing this!
 - They are also still grieving and handling the loss of a loved one
 - They think they are paying you to do this for them
- You can differentiate yourself from other competitors by offering an efficient service process for doing this!

Create a Master Database of Financial Institutions

- Develop a database (or list) of key contact people in each Financial Institution
 - Contact information (mailing address, phone number, e-mail address)
 - TIP: Send Holiday gifts every year (or other ways to show appreciation)
- KEY: Also save information about any specific forms or requirements each Financial Institution may have to get valuations

STEP #1:

Send Initial Letter to Financial Institutions

- These letters are sent to Financial Institutions (or Financial Advisors) to request relevant information
 - Date of death values
 - Beneficiary designation
 - IRS Form 712 (value of life insurance at DOD)
 - Value of the account of the surviving spouse (joint owner)
- Sent within one week following the initial EA meeting and engagement
 - Before attorney reviews Opening documents
 - Done timely may help avoid fee shopping and engagement cancellations

Financial Institution Letter Templates

- **EXHIBIT 95 - Life Insurance (Non-Trust Asset)**
 - Where a Beneficiary is requesting IRS Form 712 (Life Insurance Statement), when preparing a Form 706
- **EXHIBIT 96 - Non-Trust Asset – Trustee is Beneficiary**
 - Non-trust accounts where the Trustee is also beneficiary of the account
- **EXHIBIT 97 - Non-Trust Asset – 1st Death (SS is Owner)**
 - Married couple, first spouse died and surviving spouse is the owner (e.g. Husband and wife own the account jointly, husband died)

Financial Institution Letter Templates

- **EXHIBIT 98 - Non-Trust Asset – Joint Ownership**
 - Where parent and child are joint owners (e.g. Father and son own an account, father has died)
- **EXHIBIT 99 - Life Insurance (Trust Asset)**
 - Where the Successor Trustee of the decedent's Living Trust is requesting IRS Form 712 (Life Insurance Statement), when preparing a Form 706
- **EXHIBIT 100 - Trust Assets**
 - Used for any accounts held in the name of the Trust

STEP #2:

Follow-Up Calls to Financial Institutions

- Follow-up calls to Financial Institutions who have not responded to initial request starting 1 week after the initial letter is sent
- Calls must be done before 2pm Pacific Time
 - Many institutions close at 5pm Eastern Time

Preparation for Follow-Up Calls to Financial Institutions

- Confirm letter was sent and review any notes of prior correspondence
- Death Certificate
- Institution's statement(s) pertaining to account(s)
- Be sure to have the procedures and script handy (EXHIBIT 101)
- Asset Allocation Chart (EXHIBIT 93)

Typical Information Needed for Financial Institution (Telephone Calls)

- Full name of Decedent
- Social Security Number
- Date of birth
- Last mailing address
- Last telephone number
- Account number

Financial Institution Follow-Up Telephone Script

“Hello! My name is _____ and I’m calling on behalf of _____. We represent the Estate of _____ and sent a letter requesting information regarding an account with you. We require this information as soon as possible. When can we expect to receive it?”

- Be sure to confirm the letter was sent to the correct person, department and address
- If the person is unable to help, be sure to get the name and contact information for the right person (update Financial Institution Database)

STEP #3:

Maintain a Financial Institution Tracker

- Spreadsheet kept for every client (See **EXHIBIT 94**)
- Helps you stay organized and track financial institution and account efforts
- It also helps hold staff accountable to following up with Financial Institutions
- You also can gain insight about individual Financial Institutions (and update database of information on the financial institutions)

What Should You Be Tracking on the Financial Institution Tracker? (EXHIBIT 94)

- Which EA Matter
- Date letters were sent
- Name of institution
- Type of account
- Account information requested
- Phone follow-up
- Notes on status

Tracking the Results

- Once the call is complete, track who was called and what the result was
- We also track how long the call took (to help track total time involved and may be needed)
- Be sure to update the WIP Report (EXHIBIT 41)

STEP #4:

Communication with the Client (if needed)

- If a Financial Institution requests something from the client that the firm does not already have, the dedicated EA Customer Service Rep is notified to reach out to the client
- If the Financial Institution has claim forms that need to be completed, our firm completes those forms and has the client sign them before we submit them on their behalf

STEP #5:

Continued Written and Phone Follow-Up

- Three weeks after the initial letter (2 weeks after the first follow-up call), a second letter is sent
 - “2ND NOTICE” is placed on outside envelope and the top of the letter
- One week after the second letter is sent, a second follow-up phone call is made
 - With a request to speak to a supervisor
- Two weeks after second notice is sent (one week after the second follow-up call), a third and final notice is sent
 - “FINAL NOTICE” indicated on the envelope and letter
 - May request to speak with the Legal Department

STEP #6:

Receive Requested Items from Financial Institutions

- Once we receive items from Financial Institutions, we put a copy in a digital folder for the client
- The Asset Allocation Chart is updated (EXHIBIT 93)
- Update the Financial Institution Tracker accordingly (EXHIBIT 94)
- Update the WIP Report accordingly (EXHIBIT 41)



SOME FINAL BONUS TIPS

Keeping Organized Records

- There's a lot of paperwork in EA (provided by the client or financial institutions)
- Our law firm has gone digital (paperless), so we keep a digital directory for all Open EA Matters
 - Separate folder for Closed EA Matters
 - Separate folder under Open EA Matters by decedent name ("Smith, Robert")
 - In each EA digital file, there are separate files for copies of letters and other items gathered/sent for that matter (e.g. the Asset Chart and any statements or correspondence pertaining to those assets)
 - BONUS TIP: You can also number those statements to align with the Asset Allocation Chart and EA Portfolio Book

The Importance of Checking Mail Everyday

- Financial institutions are responding to requests and sending over the information you requested
- Have the staff member responsible for checking mail stamp all mail when the pieces were received
- Scan and e-mail items to EA Department to appropriately take action
- Be sure to review items received in mail before doing follow-up with Financial Institutions (or the client)
- Helpful for determining typical turnaround times

Terminations of Engagement

- Occasionally, for whatever reason, a client may engage the law firm and a few days or weeks after engaging us, contact us and tell us they have changed their mind
- Benefits of collecting a 50% deposit (or retainer) at the point of engagement and tracking work involved up to this point



Terminations of Engagement

- Our law firm will oblige the termination request while also communicating where we are at in the process and that the refund will be less whatever fees have been earned
 - Usually, at that point, it may be a good portion of their retainer depending on how much time has gone by
 - Letting the clients know this can oftentimes deter client from terminating the engagement

The background of the slide is white and filled with numerous blue question marks of varying sizes and orientations, creating a theme of inquiry.

ANY QUESTIONS?

**SEND IN YOUR QUESTIONS TO
EVENTS@ULTIMATEESTATEPLANNER.COM**