



# **Financial Help For the Surviving Spouse or Partner A Complete Guide**

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# Overview

- Helping the Money Avoidant Partner
- Important Financial Sets
- Build A Support Team
- Self-care
- Questions

The background features abstract, overlapping geometric shapes in various shades of teal, green, and blue, primarily concentrated on the right side of the frame. The shapes include triangles and polygons, some with semi-transparent effects, creating a layered, modern aesthetic. The text is centered in the white space on the left.

# **Helping the Money Avoidant Partner**



A recent study by UBS found that only 20% of women and men make long-term financial decisions together.



82% of women defer to their spouse because they believe they lack the knowledge to participate in financial decisions.



Men often feel pressure to be the financial head of their household, leading to stress and potential health issues.

# Gender Dynamics in a Marriage

# Money Dynamics for Many Experiencing Widowhood



Financial anxiety can manifest due to underlying money beliefs that subconsciously cause the partner to want to avoid money.



Money avoidant behaviors include acting similarly to an ostrich with its head in the sand unable to face their finances.



This money avoidance can have dire consequences, as some important financial decisions need to be made during the initial grieving period.

# Money Dynamics for Many After Losing a Spouse



- ▶ Recognize that they may need help dealing with moving forward.
- ▶ Meet the client where they are in the grief cycle and offer support.
- ▶ Active listening and being patient while slowly moving forward will be key.
- ▶ Introduce to a therapist or coach specializing in grief and loss.

# The Finances

# Start Making Final Arrangements

## **Obtain Copies of the Death Certificate**

- Request at least 15 certified copies of the death certificate

## **Contact Spouse's Employer (If Applicable)**

- Contact Human Resources regarding:
  - Income
  - Life Insurance
  - Employer Retirement, Stock Accounts, and Deferred Compensation
  - Health Insurance
  - Bereavement Leave Benefit



# Start Collecting Financial Records

- Check spouse's wallet to create a list of credit and debit cards
- Gather copies of statements for:
  - Bank accounts
  - Credit cards
  - Outstanding mortgages and loans
  - Brokerage accounts
  - Pensions
  - Retirement accounts



# Income and Expenses

## Income

Spouse's Income	What will happen to it?
Spouse was earning a salary	Stop immediately
Spouse was receiving Social Security	If living spouse was benefiting from 50%, it will stop
Spouse was receiving a pension income	Monthly income might be reduced.

- Call the Social Security Administration to check what living spouse is entitled to



# Income and Expenses

## Expenses

- Spend cautiously during the first 2-3 months
- Try not to use personal funds to pay any bills
- Provide creditors with a death certificate

*Track spending for at least the next 2 months to get a clearer idea about future expenses!*



# Before Retirement: 50/30/20 Rule

This rule divides net income into certain percentages:

- 50% toward needs
- 30% toward wants
- 20% toward debt and savings



# After Retirement: 4% Safe Withdrawal Rate Rule

- Withdraw 4% of an investment portfolio each year of retirement
- Health costs in retirement are increasing rapidly, especially for women



# Social Security

- Report spouse's death to the Social Security Administration
- Living spouse may be entitled to a survivor benefit that is equal to 100% of spouse's benefit



# Veteran's Administration Office



- If spouse was part of the armed forces, does the living spouse qualify for survivor benefits?

# Credit Cards and Other Loans



- Cash out spouse's rewards account
- Update any joint credit cards to living spouse's name, only



# Insurance

## **Life Insurance**

- Notify life insurance provider about spouse's death
- Determine payment option selected by spouse

## **Health Insurance and Medicare**

- Notify the provider of health insurance, vision, and dental insurance

# Insurance

## Homeowner and Auto Insurance

- Notify homeowner and auto insurance companies and change the policies to be in living spouse's name, only.



# Estate Planning Documents & Beneficiaries

- Revise estate planning documents:
  - Will
  - Power of Attorney
  - Health Care Proxy
- Update beneficiary designations for all financial accounts
- Determine someone to make financial or health care decisions in the event of your incapacity

# **Build A Support Team**

# Putting A Team in Place

- Who is the current support team?
- The most important professionals on the team:
  - Financial advisor
  - Estate planning attorney
  - Therapist



# Financial Advisor

- Find an advisor who is:
  - Fiduciary
  - Fee-only
- Over 80% of widows change from their current financial advisor



# In First Meeting

## Understanding Assets and Liabilities

- Collect last two years of tax returns

## Cash Flow

- Discuss cash flow and the amount of money needed to pay ongoing expenses
- Save 6 months of living expenses on hand



# Other Topics to Discuss

## **Investing**

- Discuss how to maximize the value of the money in investment portfolio

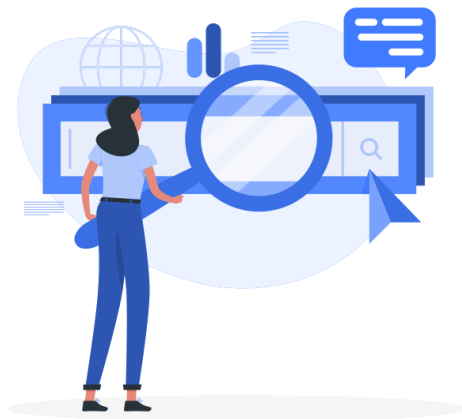
## **Plan for the Future**

- Update financial plan based on new situation
  - Keep or sell the home?
  - Return to work?
  - Review income and spending



# Estate Planning Attorney

- Hire an accredited lawyer whose focus is trust and estate law
- How to find the right attorney:
  - The National Association of Estate Planners & Councils
  - The American Academy of Estate Planning Attorneys



# In First Meeting

- Review the will with the attorney
- In some states, the will must be filed within 10 days of a death
- Discuss if any state and federal death taxes that are due



# Probate

- Probate is the legal process that occurs after someone dies, and its goal is to ensure that your spouse's intentions are carried out
- Probate includes the following steps:
  - Prove spouse's will is legally valid
  - Determine spouse's assets and their value
  - Repaying debts owed
  - Paying any taxes due
  - Distributing the remaining property to all heirs
- Takes an average of 16 months to complete

# Avoiding Probate

- Overall cost can range from 2% to 7% of the entire estate value
- Assets that are co-owned with the spouse will most likely bypass probate as well
  - For example, if a home is jointly owned with the passing spouse, the property will go directly to the living spouse

# Therapist

- A good grief counselor will:
  - Provide a safe space
  - Help to develop tools and strategies to heal
- A support team can refer a professional experienced in grief counseling

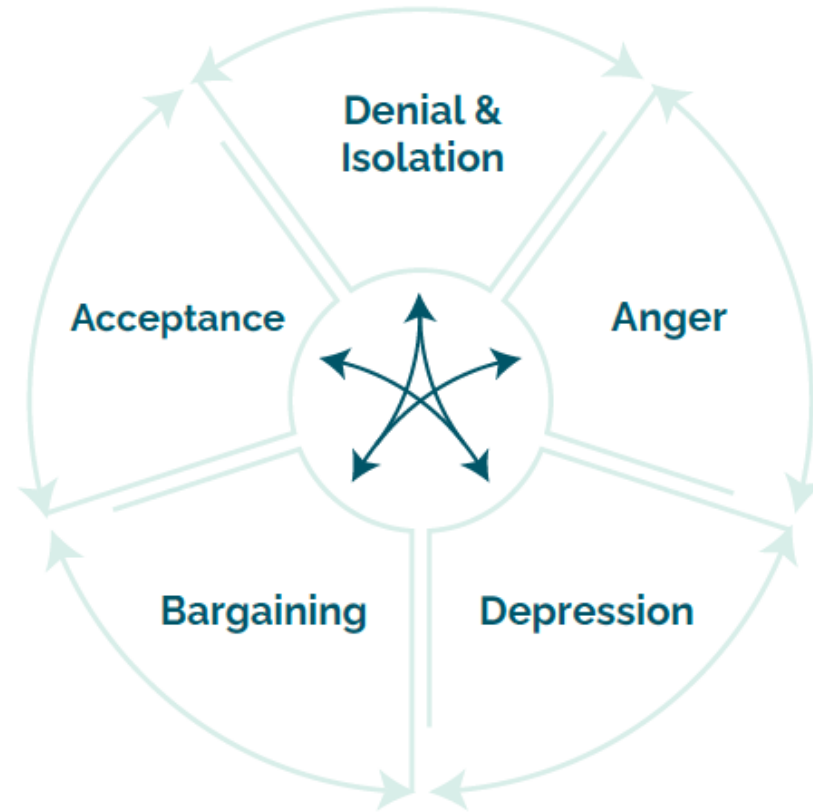


# Self-Care

# Self-Care

- Every person grieves differently
- Offer compassion and acceptance during grieving process

## 5 stages of grief



# The Physical Impact of Grief

- Common physical grief responses can include any of the below issues, individually or concurrently:
  - Digestive Problems
  - Impaired Driving Ability
  - Energy Loss
  - Anxiety
  - Sleeping Too Little
  - Sleeping Too Much
  - Weight Gain
  - Weight Loss





# Coping with the Physical Effects of Grief

- Here are several ways to engage in self-care while coping with profound loss:
  - Stay Hydrated
  - Get Exercise
  - Eat Properly
  - Get Rest
  - Let Others Help
  - Do Not Grieve Alone



## Next Steps...

- Gather Financial Documents and Get Organized
- Determine Income and Track Expenses
- Modify Financial Accounts and Insurance Policies
- Put A Supportive Team in Place
- Hire the Right Financial Advisor
- Offer Self-Care Tips

# Questions?



# Resources



[Link to Download  
Questions to Ask an  
Advisor](#)



[Link to a Financial  
Checklist](#)



Visit [www.francisfinancial.com](http://www.francisfinancial.com) to learn more!

# Stay in Touch!



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**Reach out to us to schedule your complimentary consultation!**

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