4 Trusted Roles in Estate Plans

Estate plans include many components. In addition to detailing your preferences and wishes, you must also name trusted individuals to bear certain responsibilities. You can name one or several people for different roles, plus include backups. Here's a closer look at the 4 trusted roles in estate plans and who may be best suited for each.

1 – Power of Attorney for Financial Affairs

A power of attorney for financial affairs allows someone to make financial decisions on your behalf when you are still living but are incapacitated or disabled. This includes having access to your bank accounts and credit cards, accepting income, and paying debts. There is no daily oversight by third parties, so you must thoroughly trust this individual with all money matters. The role is best suited for someone who is financially stable and is good at managing their own finances.

2 – Health Care Proxy

A healthy care proxy empowers someone to make decisions on your medical care. Again, this applies when you are unable to do so yourself due to incapacitation or disability. It's helpful if your proxy is comfortable speaking to medical professionals and understands basic medical terminology. Given the emotional aspect of this role, you'll also want someone who can think clearly under such pressure and make decisions that will honor your wishes.

3 – Personal Representative (Executor)

Another of the trusted roles in estate plans is an executor (known in Massachusetts as a personal representative). Unlike the other two roles listed above, an executor becomes active only after your death. The role includes a wide range of responsibilities including (but not limited to) managing financial accounts, selling assets, navigating court processes, accounting for funds, and distributing assets to heirs. Depending on your estate plan, it can be a short-term role of 6 months to a year or a one that extends for many years. In addition to being trustworthy, executors should also be organized and with a well-rounded skill set.

4 – Guardian for Dependents

Last, but certainly not least, is the role of guardian for your children. Guardians take on your parental role and will care for your children until they become adults. This is by far the most difficult role to assign. Be sure to read our articles on the qualities of a good guardian and other important considerations.

More on the 4 Trusted Roles in Estate Plans

For the 4 trusted roles in estate plans, it’s important to select people that you know and trust. Each is essential and require different skillsets. So, you might not assign the same person to all of them. Additionally, consider the potential conflict of interest. For instance, someone responsible for your finances is not best to decide whether to artificially extend your life or terminate care. Ultimately, it comes down to the characteristics of the people closest to you and your assessment of what they are capable of and can be trusted with. The decision is truly a personal one, although understanding each role can certainly help.

Contact our team for assistance with this and other important estate planning decisions. We will prepare a comprehensive plan to protect your rights while you are living and your assets and heirs upon your death.

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5 Qualities of a Good Guardian

When you think of guardians for your children, you probably think about specific people in your life. Sometimes it’s helpful to start with a different approach. Consider the qualities of a good guardian and *then* identify individuals with matching attributes. Here are a few that you might consider.

1 – Patience

Every parent knows that children will test your patience. It’s tough enough with your own children,.. it can be more challenging with others. Add to that the trauma of losing parents, and your children will need as much patience and understanding as possible. Someone who is generally patient is likely to apply that to interactions with your children.

2 – Empathy & Kindness

Empathy and kindness go hand-in-hand. Your children will benefit from a guardian who can empathize with their experience and offer kindness during the most difficult of times. Sometimes we mistakenly focus only on whether someone can physically care for our children and not whether they will be kind to them. Emotional well-being is just as important as physical well-being.

3 – Core Values and Beliefs

What are your core values and beliefs? Is it important to you that a guardian share those views? It’s difficult to find people who share in every value we hold, but some will be more important than others. List which are essential versus “nice to have.”

4 – Financial Stability

Financial stability is among the most important qualities of a good guardian. Someone who already struggles with money might have difficulty with the added burden of caring for your children. Additionally, if a guardian receives assets on behalf of your children, how well might he/she manage those funds? Their own financial well-being is probably the best indicator.

5 – Parenting Style

Parenting is something you learn from experience, yet every parent is also different. For potential guardians who are already parents, you have insight into their parenting style. For those without children, you'll need to infer that from interactions they have with your children and other children they've interacted with. Regardless of how you make the assessment, understanding parenting style and how that compares to your own can help.

More Qualities of a Good Parent

These are just a few examples of qualities of a good guardian for children. Start with this list and add to it. What personal characteristics are important to you? What might be beneficial for your children? If you prepare this list first, your selection of a guardian may be more straight-forward. Guardianship is never an easy decision, but these factors to help guide you through it. Be sure to also read our article on considerations when selecting guardians for children.

Contact our team to prepare your estate plan. Special provisions can be added for guardianship and financial support. Remember that you can also change your mind at any time and change guardianship selection. Our Massachusetts estate planning team can assist with that as well.