

An Important Choice: Choosing Your Executor



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Your will and/or revocable living trust is the foundation of your estate plan. You need to designate someone in your documents to be responsible for fulfilling your final wishes, including the distribution of your possessions, collectively called your estate. That person is called a personal representative, executor, or, if you have a trust, a trustee.

You don't need a financial expert to act as your executor or trustee. But you do need a person with good judgment and common sense, basic business literacy, and the ability to determine when it's time to involve an expert for assistance.

Because of the critical role played by this individual, here are **five things you should consider** when making your selection.



1. Does the person(s) I have selected have the time and inclination to act as executor or trustee?

An executor is the fiduciary who, upon your passing, is responsible for managing every aspect of your estate. Often an executor's duties entail a great deal of work, such as tracking down and accounting for all of your assets and liabilities and submitting your will to the court of jurisdiction for acceptance in the process known as probate. The executor is responsible for important tax elections, tax filings, and court accountings of income and expenses. Executors and trustees must have the time to go to the courthouse to file appropriate paperwork and sometimes attend hearings. They must also take time to coordinate all the aspects of distributing your property as you wish, even if they hire experts to handle accounting and legal matters. In some cases, the executor may be in the unenviable role of arbitrating family disputes.

Generally, an executor's responsibilities, which can last a minimum of two years and often much longer, end when all liabilities and expenses are satisfied, assets of the estate are distributed (outright or by trust), and the final tax filings are accepted by the various taxing authorities.

2. Does my executor live nearby, and are they reasonably certain to be available at the time they are needed?

Executors and trustees must be able to go into your home to go through your belongings, go to the court in your hometown to file paperwork, and attend some meetings in person or by phone. In some states, an executor or trustee who lives out of the state may be required to pay a fee to the courts, called a bond, that will be reimbursed once the estate is distributed.

You will also need to consider the person's age and health. You may want to consider someone 10 to 15 years younger than you so there is a greater likelihood they will be able to serve, and also name a successor trustee just in case.

3. Should I choose a family member?

Your executor or trustee must have the knowledge, temperament, and time to handle the complicated aspects of an estate or trust. You may have a friend or family member capable of this role. A friend or family member brings insight to the role that can help in making decisions. Please remember that the job of executor or trustee usually begins at a traumatic time for a grieving family. This may make it difficult for a friend or family member to undertake the role.

Having a family member serve as co-executor is common. However, there can be complicated dynamics at play. For instance, if you name one of your adult children, your other children may resent a sibling being appointed, whereas naming multiple children as co-executors can be cumbersome and problematic.

4. What if I don't have a family member or friend who can serve?

If you cannot think of a family member or friend to serve as your executor or trustee, or the dynamics may be too complicated, you have other options:



- Your estate planning attorney.
- Your accountant or financial advisor.
- An officer of the bank where you have your checking or savings account or mortgage. If the bank where you have your checking or savings account or mortgage offers this service, that may be a good choice.
- A law firm, other than the firm that drafted your will or trust documents.
- A trusted insurance agent.
- A trust company retained to provide this service.

Corporate or professional individuals serving in this capacity are impartial to family dynamics and may sometimes be able to navigate family issues or disagreements. There is also no need to worry about naming a backup individual to serve.

5. How often should I reconsider or update my executor?

It is always good to review and update your will, beneficiary designations, advance directives, and executor choices every five years. You will also want to revisit your choices after any major life changes that you or your chosen executors experience.



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