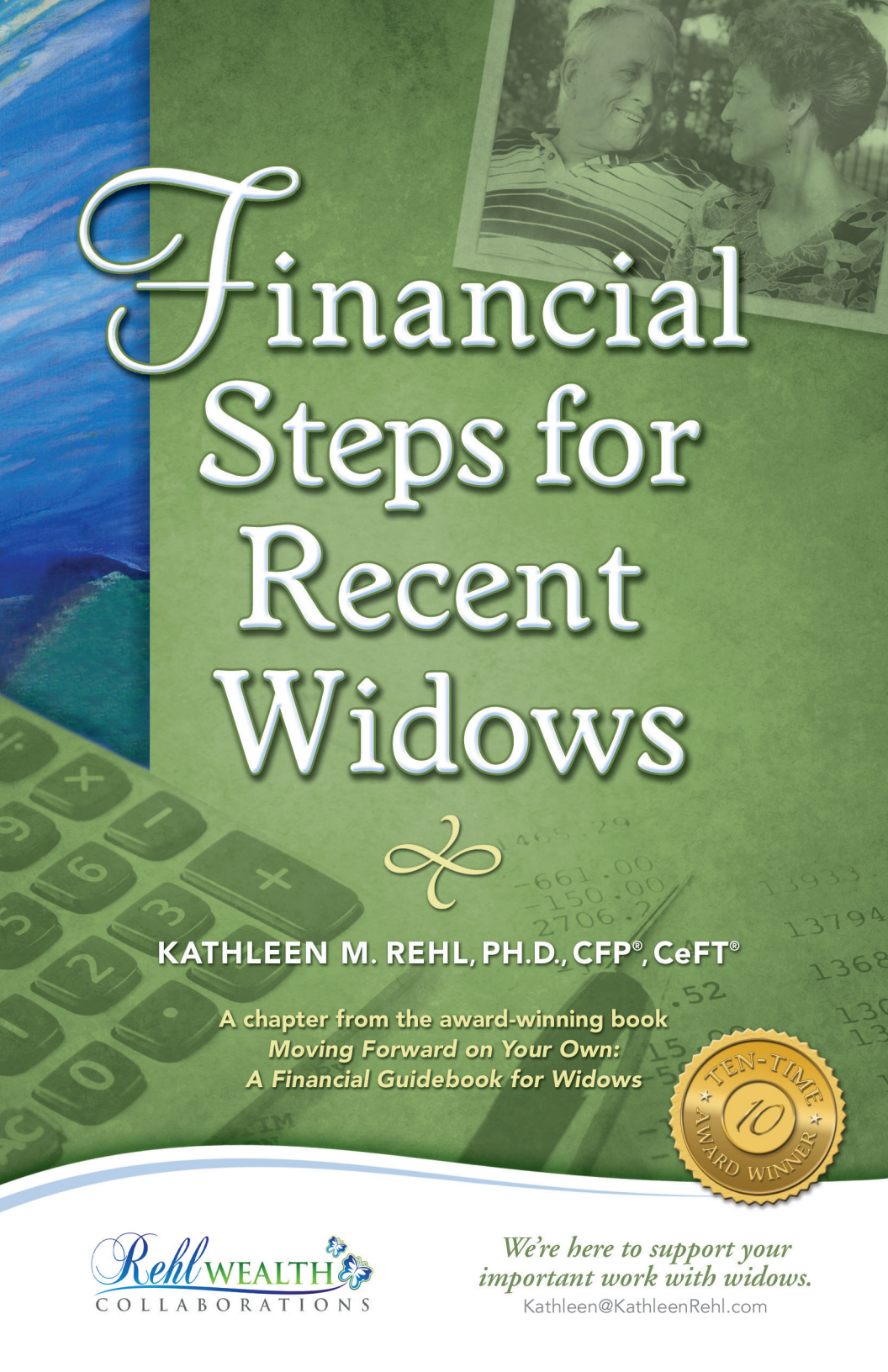




Financial Steps for Recent Widows

KATHLEEN M. REHL, PH.D., CFP®, CeFT®

A chapter from the award-winning book
*Moving Forward on Your Own:
A Financial Guidebook for Widows*



Rehl **WEALTH** 
COLLABORATIONS

*We're here to support your
important work with widows.*

Kathleen@KathleenRehl.com

Blessings on your journey,



~ Share the Love! ~

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Please reference Kathleen and her work, including *Moving Forward on Your Own: A Financial Guidebook for Widows*, when you share this publication.

You may also send others to her website at
www.KathleenRehl.com. ~Thanks!

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What to Do When Your Husband Dies

Financial Steps for Recent Widows

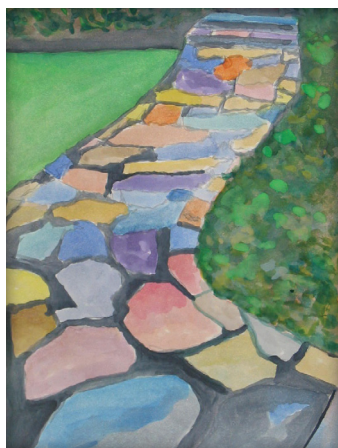
When your husband dies, you may be faced with a terrible shadow of grief, fear, and uncertainty.

Just when you feel least able to cope with life, when you are low on mental and physical energy, you have many decisions to make that can permanently affect you: your finances, your family, your livelihood, and so much more.

It might seem no one really understands what you are going through. But there are immediate concerns to take care of after your spouse's death, including the funeral or memorial service. Then you'll deal with critical issues, including settling his estate and collecting death benefits. You used to make choices with your partner, but now you feel alone.

Review these items with members of your support network in the days, weeks, and months during the first year after your husband's passing. Only time will help to heal the grief you experience. Organizing your finances and taking the right steps will help you regain a sense of control, well-being, and reduced financial worry during your time of healing.

My blessings are with you as you begin to move forward in your journey, following a new path.



“Be content to progress in slow steps until you have legs to run and wings with which to fly.”

~Padre Pio

Funeral/memorial period:

- ☐ Follow directives if body or organ donation was planned.
- ☐ Select a funeral home, if not already arranged.
- ☐ Discuss costs with the funeral director with the assistance of a family member or friend. Select what is within your budget. Order preprinted thank-you cards.
- ☐ Decide on cremation or burial, if not already determined.
- ☐ Make arrangements for the service, in consultation with your minister, priest, or rabbi if appropriate.
- ☐ Write an obituary and send it to local newspapers. Include information about memorial gifts if you prefer. A family member or friend can help you follow guidelines supplied by your local newspapers. The funeral home will also assist if requested.
- ☐ Notify friends, relatives, and others.
- ☐ Order at least 15 copies of the death certificate from the funeral director or health department.
- ☐ Allow family and close friends to assist with food preparation and housekeeping tasks.
- ☐ Arrange care for young children, if needed.
- ☐ Make a list of contacts you can reach in an emergency.
- ☐ Set up a system to record and later acknowledge cards, letters, phone calls, food, and other gifts.

Begin to organize information:

- ☐ Start a filing system for quick and easy retrieval of information you'll reference during this transition period. For example, use colored manila folders. Here are some possible file headings: bank correspondence, bills, credit card statements, business related, employer correspondence, estate documents, household, income tax related, investments, life insurance, other assets, and personal documents.



- ❑ Create a calendar with important due dates.
- ❑ Keep a log of actions taken, including the date and contact person if someone else was involved and pertinent notes. (If you don't create a list, you're likely to forget the dozens of contacts you'll make and things you have done.)

Contact your attorney, tax preparer and financial advisor:

- ❑ Gather significant documents, including your husband's will and trust if applicable.
- ❑ If you have not previously worked with a tax preparation professional, inquire about which documents to keep and your pertinent tax issues for the current year.
- ❑ Ask friends or a professional advisor for names of lawyers who do estate work if you don't already have an attorney. This person will guide you during the probate process.
- ❑ If you're the executor of your husband's will, manage the estate settlement process with the guidance of your professional advisors. Also see page 27 for estate settlement information.
- ❑ Share concerns about money issues with your financial advisor. If you don't have a financial planner and would like to talk about your circumstances, see page 74, "Finding a Financial Advisor."

Review cash flow and liquidity needs:

- ❑ Be certain you have sufficient cash flow during this transition period. Prepare a statement listing where money will come from and where it needs to go in the coming months. Include a list of regular bills. (See *Money Flow* on page 36.)
- ❑ Tap certain investments that may be available at face value without penalty because they carry an "estate feature" (e.g., certificates of deposit with a "death put" or a variable annuity with a death benefit greater than its current market value).



Collect benefits:

- ❑ Locate the birth certificate, Social Security number, marriage license, military discharge papers, financial account statements, and company benefits brochure you may need to collect certain benefits. Keep these papers readily available in your organizational folders.
- ❑ File a benefits claim form through the nearest Social Security office or go online at www.ssa.gov if you qualify for benefits. Call 1-800-772-1213 and ask for Publication No. 05-10084: *Social Security Survivor Benefits*. If your husband paid into the Social Security system for at least 40 quarters (10 years) and was eligible to receive Social Security, you will receive a lump-sum death benefit of \$255. Unmarried children under age 18 (or older if attending high school or if disabled) are eligible for benefits, and if you are caring for these children you may qualify for survivor benefits. You can apply for Social Security retirement benefits as early as age 60 if you are a widow with limited employment income (or in some cases, even earlier).
- ❑ Contact your life insurance agent to start collecting benefits. You may have various payment options. Be certain you understand your choices before selecting the payout method. Check the following sources for other life insurance: your husband's employer or former employers, insurance through your mortgage company, credit cards or certain other loans, and professional association or unions.
- ❑ Collect veterans' benefits if you qualify. Contact the Department of Veteran Affairs if your husband served in the military. You and children of active-duty or retired military may be eligible for certain benefits, such as medical care, commissary exchange, and veterans' mortgage life insurance. For more information on benefits and procedures, go to www.va.gov or visit a local VA office.
- ❑ Roll over your husband's Individual Retirement Plans (IRAs) into your own. Or, if you are younger than 59½ years old and need extra income, consider making his account a beneficiary IRA. This will minimize income tax you'll pay on early distributions. (Other exceptions may exist. Consult your professional advisors before making choices.)

- ❑ Contact the Human Resources Department of your late husband's employer if he was employed at the time of death. Staff can assist you with unpaid salary, vacation pay, sick pay, medical-care flex or reimbursement account, bonuses and commissions, life insurance, pension benefits, access to qualified retirement accounts, stock options, and any other benefits due. If the death was because of an accident on the job, there may be accidental death benefits.
- ❑ Take a pension from your husband's qualified retirement plan or roll over money into your IRA, depending on your options. Review his employer's retirement plan document.
- ❑ Contact the financial aid office if you have a child in college. Your son or daughter may be eligible for special assistance or increased financial aid.

Adjust health and other insurance coverage:

- ❑ Make sure you have your own medical insurance coverage. If you and your family were covered under your deceased husband's policy at work, inquire about continuing under the group plan through COBRA coverage. (You are eligible to enroll for up to 36 months after your husband's death—more than the standard 18-month period.) You will have to pay the premium. Another option may be to convert from existing group coverage to an individual plan. If you previously had your own policy, notify the agent of your husband's death so premiums may be reduced. Notify Medicare if covered.
- ❑ Inform insurance agents for your auto, homeowners, liability, long-term care, and any other policies. Premiums may be reduced for one fewer driver. If your husband had long-term care insurance, you may be eligible for a return of part of his most recent premium payment.



Review assets and liabilities:

- ❑ Create a financial net worth statement, a list of all you own and what you owe (See *Your Net Worth* on page 38.)

Complete the estate settlement:

- ❑ Change the title and beneficiaries, at the appropriate time, on investments, vehicles, and your safe deposit box. It may not be necessary to change the title on your residence, depending on how it's titled now. You may want to hold off temporarily on changing names on credit cards so you can continue to use the existing cards. (When you are ready to change ownership of a credit card, write a letter to this effect and send this to the company, along with a death certificate.)
- ❑ Don't change your joint checking account name for a year or so because checks may still come payable to your spouse for some time. You'll be able to deposit these into your joint account.
- ❑ File an estate tax return with the help of your attorney if federal or state estate tax is owed (due nine months after death).

Take care of yourself:

- ❑ Remember self-care, which may include exercise, yoga, meditation, facials, manicures, massages, bubble baths, enjoying a beautiful sunset, spiritual practices, and chocolate! Do not let this slide!
- ❑ Read a good book about widowhood in general, which may give you guidance and inspiration. Here's one to start with: *For Widows Only!* by Annie Estlund (iUniverse, Inc., 2003).
- ❑ Consider joining a support group for widows or talking with a counselor. Several website support groups for widows are also available. One excellent location is www.widowsbond.com.
- ❑ Keep in touch with your women friends.

"Your success and happiness lie in you... Resolve to keep happy, and your joy and you shall form an invincible host against difficulties." ~Helen Keller



In the future, move forward with new goals and your new life:

- ❑ Create an updated financial plan. Focus on short-term goals first, especially during the first year or so. Keep your plan simple and manageable.
- ❑ Update your will and estate plan. You may want to include charitable bequests for those organizations that you and your husband supported previously.
- ❑ Think about writing a legacy letter (also known as an ethical will) that passes on your values, beliefs, hopes for the next generation, insights, special stories, history, and so much more.
- ❑ Expand your social circles. Meet new people who know you as yourself and not as half of the couple you were before your husband died.
- ❑ Be careful about “coupling” too quickly, if you are interested in a new relationship. Give yourself some time. Be wary of guys looking for a “purse.” Keep your finances to yourself.
- ❑ Try to keep in mind that there is life after grief. You will be able to reframe parts of your life positively as you continue your journey as a widow.



Postpone major decisions during the first year when possible!

You don't need to rush. Especially take time with your big decisions. You are going through a grieving process, and your life may feel like it's been turned upside down. Your mental, emotional, and physical condition may be very different than before your husband's death.

Well-meaning acquaintances, extended family, or salespeople who don't really know your entire situation may bombard you with suggestions. It can be useful to have a friend help you think through some decisions you'll face. For example, now may not be the time to pay off your home mortgage. It might not be wise to move in with your adult daughter and her family either.

If you don't want to make some decisions alone, consider asking a trusted professional to assist you. Be careful about whom you select because people who sell financial products sometimes view widows as "easy targets."



You are at a very vulnerable time following your husband's death. Go slowly. Be gentle. Give yourself time to heal.

Ask yourself this question:

Must this decision be made right now, or can it wait for a future date, which might be a better time for me to make the right choice or take action then? Just don't rush!

Disclaimer: These suggested steps are generic and certainly not all inclusive for each widow's situation. Consult the advice of your attorney, accountant, and financial planner.

◆ As you read these checklists, which area do you want to work on soon?

◆ What action will you take first? _____



KATHLEEN M. REHL, Ph.D., CFP®, CeFT®, shares insightful expertise and experience. She is a leading authority on widows and their financial issues. A widow herself, Kathleen is passionate about inspiring her “widowed sisters” in transition and their advisors. She is the author of the multi-award-winning book, *Moving Forward on Your Own: A Financial Guidebook for Widows*. Her work has been featured in pub-

lications including the *Wall Street Journal*, *New York Times*, *Kiplinger’s*, *Money*, *U.S. News and World Report*, *CNBC*, *Reuters*, *USA Today*, *AARP Bulletin*, and more. Kathleen’s national research has been published in the peer-reviewed *Journal of Financial Services Professionals*. Enthusiastic sponsors of her presentations include financial firms, industry affiliates, nonprofits, professional organizations, and U.S. Army Survivor Outreach Services centers worldwide.

After 17 years of providing personal financial advice, she sold her business at the end of 2013 to devote more time to teaching, speaking, and writing. Kathleen is the founder and owner of Rehl WEALTH Collaborations LLC. She is also on the faculty of Sudden Money Institute and serves as the Dean of Women for the Purposeful Planning Institute.

Kathleen has walked the walk about which she speaks and writes...focusing on women who have loved and lost—inspiring them to move forward on their own...yet not alone. Her core values shape practical ideas and tools that assist professionals to understand and serve widowed clients well.

SUDDEN MONEY INSTITUTE

For those desiring advanced credentialing, the Certified Financial Transitionist™ program is offered by Sudden Money Institute. A compact virtual training program focuses on those who specialize in working with widows.

Moving Forward on Your Own

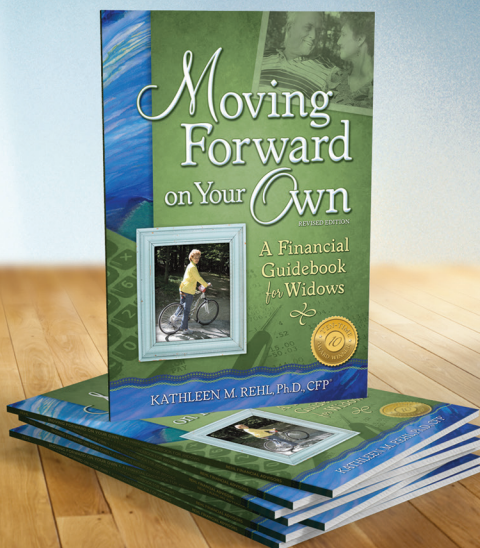
— A Financial Guidebook for Widows —

Kathleen M. Rehl, Ph.D., CFP®, CeFT®

What do you do when a friend's or relative's husband dies?

When the time is right, give her this book,
as a gift of care and compassion.

- ◆ Winner of 10 national and international book awards
- ◆ Featured in *The New York Times*, *Kiplinger's*, *Wall Street Journal*, *USA Today*, *AARP Bulletin*, *U.S. News & World Report*, *CNBC*, and more
- ◆ The U.S. Army uses this guidebook in their Survivor Outreach Services centers worldwide
- ◆ Designed to help heal a woman's soul as well as focus on her financial issues
- ◆ Kathleen donates a portion of guidebook sale proceeds and speaking fees to nonprofits that benefit widows



"As a recent widow, I found this book to be extremely useful. In addition to the financial help, the paintings, photos, and quotations add a nice touch."

Mrs. D. McLarin
Amazon review

Available at www.KathleenRehl.com and Amazon