



The 9 Common Planning Mistakes Parents Make:

A Report Brought to You by the Law Offices of Candice N. Aiston

Approximately 73% of parents do not have a will. Worse, most parents who do have a will are unaware that their kids may not be protected by their existing plan. Here are 9 of the most common planning mistakes that parents make:

1. Naming a married couple to act as guardians.

Most parents name a married couple as guardians, but they usually have only one of those people in mind as the caregiver for their child. What if something happened to that one person? Would they still want the surviving spouse to raise their kids? Say, for example, that you named your sister and her husband as guardians of your children. If something happened to your sister, would you want her husband to raise your kids or do you have an alternate guardian in mind for that situation? This scenario is often overlooked, but could lead to big problems! Make sure that your guardianship plan addresses this issue.

2. Not naming one or more alternate guardians to serve if your first choice is unavailable.

A couple of years ago, I was in a car with my husband, my parents, my friend, and my brother. It was nighttime, and it was heavily raining. A car approaching us started sliding and almost hit us. We would have been knocked over a railing and down a cliff if it had. Well, guess what. All of the people that I was driving with were named as guardians or alternate guardians in my estate plan. If something had happened to us, my kids would have been sent by a judge to live with relatives out-of-state, not with the friends who are now officially named as alternate guardians in my estate plan.

3. Naming only long-term guardians and not making any arrangements for the immediate care of your children.

This is probably the most common issue overlooked by parents and their attorneys. If something happened to you while your kids were at school or daycare, what would happen to your kids? If you're like most parents, you don't have an effective plan in place to address this situation. This leaves open the possibility that your kids will be placed in foster care until the court sorts out your guardianship arrangements. If you don't have a will at all, we could be talking about weeks in the foster care system. As a parent, I shudder to think about my kids grieving my death while living with strangers who are getting paid by the state to watch them.

4. Not excluding anyone who might challenge your guardian decisions.

Most parents affirm who they do want to raise their children, but do not expressly exclude people who they do not want to raise them. This leaves your appointment to be open for challenge by those people, and leaves open the possibility that they be named guardian if any of your guardians are unavailable.

5. Focusing too much on financial resources when deciding who should raise your children.

There are many different factors to consider when choosing a guardian for your kids, but financial resources should be at the bottom of that list. You should choose a guardian who loves your kids and who will care for them in a compassionate way. It's *your* job to provide the financial resources, through life insurance or other assets.

6. Not providing for someone to handle the money you are leaving behind for your children.

If you don't plan for someone to handle the money you leave behind for your kids, the court will appoint someone to do it and that person will be paid from money from your estate (that was meant for your kids). That's not the

worst part. When each of your kids turns 18, they'll get a check for their share of the inheritance. If you have kids and a million-dollar life insurance policy, do you really want them each to be handed a five hundred thousand dollar check on their 18th birthdays? I know I don't. I want that money invested and used to pay for college or starting a viable business. If someone had handed me a five hundred thousand dollar check at age 18, I probably would have bought a brand-new car and lived like a rockstar until it ran out. Not only that, but there have been reports that there are people who go through public probate records to find out which kids are turning 18 soon, so that they can target them for their inheritance. (See #9 to find out if your records will be public!)

7. Not buying life insurance while you are young and healthy.

If you don't have the financial resources to provide for your family in the event of your death, you really should have life insurance. Even if you do have the financial resources, life insurance is something that can significantly increase the size of your estate for a very low cost or that can be a great way to save for retirement. The best time to get it is when you are young and healthy. When you get a bit older and start to gain weight or encounter any health problems, your premiums will be a lot more expensive.

8. Not properly outlining your health care wishes and naming a health care agent.

A sure way to cause a rift in your family is to not properly outline your health care wishes and name a health care agent. You probably remember Terri Schiavo, the Florida woman whose family fought for 13 years over whether she should remain on life support, and we will never know what her wishes truly were. There's another case where a girl's parents are fighting over whether she should remain on life support. I can't imagine that I'd want my parents to fight over something like this, and I would never want my entire estate eaten up over legal battles and medical bills, leaving nothing for my kids.

9. Believing that your estate does not have to go through a lengthy, expensive, and public probate process, just because you have a will.

If you have assets valued over a certain amount (which differs from state to state), your will must go through probate. In Oregon, if you have over \$50,000 of personal property, over \$150,000 of real property, or over \$200,000 of total property, your estate must go through probate. Probate takes a minimum of six to nine months to complete and can be quite costly. Your Personal Representative is entitled to take 1-7% of your estate as payment; he or she may need to hire a probate attorney and accountants; and there are court costs and publication fees. Once a will is submitted to probate, it is a matter of public record. Anyone can see what you are worth financially, and they can see what your kids are inheriting. There are several ways to avoid probate, so ask your attorney how you can avoid this lengthy, expensive, and public process.

CONCLUSION: If you have children, make sure that you have planned for all of the above scenarios. If you need to speak with an attorney that knows the needs of parents, call Candice N. Aiston, at (503) 235-5150 or email her at Candice@CandiceAistonLaw.com to set up your Initial Estate Planning session. Mention this report and waive the \$750.00 session fee.



About the author: Candice N. Aiston is a Mom who understands that when parents think about estate planning, they are not just doing it for themselves. They are doing it for their kids. In her quest to develop her own estate plan a few years ago, she realized that there were not any estate planning firms in her area that focused on the needs of parents with young children. Candice is passionate about helping parents to develop plans that work to protect their families, should the unthinkable happen. Her own mother died when she was just two-and-a-half, and that's why it is so important to her that she help parents to spare their children the pain that she experienced as the result of a failed plan. Because of all this, Candice comes to estate planning with a Mom's perspective. She won't ask you whether you're wearing clean underwear, but she will take you by the hand and walk you through every legal and practical step necessary to protect your family and to make sure that your voice is always heard...no matter what happens.