A woman with short grey hair is sitting on a grey couch, looking down at a tablet computer she is holding with both hands. She is wearing a dark grey long-sleeved shirt and patterned leggings. The background shows a window with white frames and a view of a house and trees outside. A patterned pillow is to her right.

How to Rebuild Your Life: Financial Guidance After the Death of a Spouse

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FORTRESS
WEALTH PLANNING



Introduction

Over the past 30 years, I have both experienced loss and helped others cope with their losses, including the death of their spouse. As anyone who has suffered loss can attest, there is no way to anticipate how someone will feel, what will be the right thing to say, what they might need, or how long they will grieve.

In fact, I would argue that our grief never really goes away. Rather, it dulls, becoming less of a sharp pain and allowing us to move forward with our lives.

Helping someone navigate through this process is difficult, unpredictable, and yet a tremendous gift. As a financial advisor, I am always honored to take on the “business details” for someone whose spouse has died and [give them the space to focus on their healing.](#)

This article shares some of the financial steps that I draw on in helping people rebuild their life after a spouse dies, and it is my sincere hope that these steps help you as well.



A Confusing Time

For anyone experiencing the loss of a spouse, trying to navigate the inevitable financial changes can be confusing and overwhelming, especially if their spouse was the one to handle the family finances. Taking over this responsibility, often while trying to understand it, can seem like an impossible task.

Recently, I listened to a friend explain how overwhelmed she felt trying to take care of everything on her plate. She had just experienced the loss of a loved one and was the family member placed in charge of managing the estate. This wasn't something she had experience in, or was prepared for, but she was the one willing to step up.

While she had thought her responsibility was simply a matter of "closing things out and paying final bills," she found years of unfiled tax returns, unpaid debt, and little in assets to cover any of it.

The result: In a year in which she had looked forward to retiring and focusing on her next life chapter, she had to deal with the burden of managing an estate. And she was losing herself in the process.

This is all too often the case after the loss of a loved one, whether they are a spouse or another family member. My advice to her was the same I give to many women in her situation: Don't forget about **YOU**. If you do, you will find yourself missing out on your own life.

Before dealing with any of the administrative issues of your spouse's estate, please remember the following guidance to help take care of your overall well-being:

1. **Take time to grieve.** Suppressing your feelings can create stress, affect your health, and leave you unable to handle the responsibilities you face. Whenever you need to, give yourself the space to grieve.
2. **Lean on your loved ones and friends.** Even if they can't assist with the financial aspects of your transition, their emotional support can help see you through the next few months or years.
3. **Make sure you are taking care of your health.** Stress is often the cause of not eating, or stress eating, or forgetting to take medication. If your physical health suffers, all else will suffer along with it.
4. **Remind yourself that you won't feel this way forever.** Over time, our grief dulls, and while life won't be the same, the wounds will begin to heal, allowing you to start the next chapter.

This ebook aims to reduce the significant stressor of finances by sharing the following simple process:

- Taking the first steps
- Organizing and understanding where you are
- When you are ready, creating a plan for your future

I've broken down this process into phases that cover the steps you'll need to take immediately and the ones that follow in the months to come.

If you feel overwhelmed, don't be afraid to ask for a professional's help. We'll cover this area in more depth, but for now, know that a financial advisor who works with widows can provide both the empathy and experience you need at this trying time.





What to Do First

Settling your spouse's estate will take months, but you will want to complete some steps right away to get the process started.

One immediate step is to engage the support of your existing advisors, such as your attorney, CPA, and financial advisor. With a sound support system around you, many of the other immediate to-dos can be delegated, allowing you to focus on your emotional well-being.

If you don't have a financial advisor and are unsure where to start, you may want to reach out to one who specializes in working with widows. By doing so, you will find someone who both understands what you are facing and has the experience and empathy to help you work through what can be an overwhelming responsibility.

The following pages cover some of the "next steps" you and your team can begin implementing and the timelines associated with each.



Immediate Steps—Within the First Few Weeks

LOCATE THE ESTATE PLANNING DOCUMENTS

If your attorney has prepared a plan, they should have these documents readily available and be prepared to review them with you. This review will help you understand the estate plan and how financial and personal assets will flow to you and your beneficiaries.

Your attorney will need to file the original will with the court. If you don't already know who has the original, you will need to locate it so that your attorney can complete this step.

NOTIFY RELATED PARTIES

The following parties should be contacted to notify them of your spouse's passing and to determine all benefits available:

- Your spouse's employer
- Social Security Administration
- Veterans Administration (if applicable)
- Banks and other financial institutions
- Insurance company (if applicable)

Once all benefits/claims have been identified, you can work with your advisor to make sure all paperwork is submitted and tracked for estate settlement purposes.

Keep in mind that resolving all these items will be a lengthy process. Your team can help you prioritize and delegate some of the tasks involved.

FILE LIFE INSURANCE CLAIMS

As you locate the life insurance policies, you will need to:

- **Confirm ownership of the policy.** If your spouse owned the policy, the proceeds might be included in the estate for tax purposes. You will want to work closely with your advisory team to determine this.
- **Confirm the policy beneficiary.** If the beneficiary is someone other than you or your deceased spouse's estate, you can notify the insurance company. However, the beneficiary will need to submit the claim for the proceeds.

Depending on the face value of the policy, the proceeds may be significant. If the estate is the owner or beneficiary, you will want to hold the proceeds in an estate account until all administration is complete. The proceeds will be used to cover final expenses, including any estate or income taxes.

If you are the beneficiary of the policy, which is much more likely, you will want to make sure that you alert your financial advisor so that the funds may be incorporated into your plan.



In addition, you will want to wait before making any drastic financial decisions that could impact you in the long term. My experience in working with surviving spouses is that they often want to give the proceeds to children, grandchildren, and charity—but you should ensure you have a secure financial footing before making such decisions.

Your financial advisor can provide the financial expertise to help you avoid any mistakes with the large sums of money you may receive.

Phase 2—Over the Following 2–3 Months

ORGANIZE YOUR FINANCES

In addition to grieving your loss, you may feel uncertain about your financial situation. Organizing your financial picture can help reduce your stress by giving you a clearer picture of where you are.

Even if you must take corrective steps, it's better to know so you can create a plan for your future.

Some helpful steps to get started with organizing your finances include:

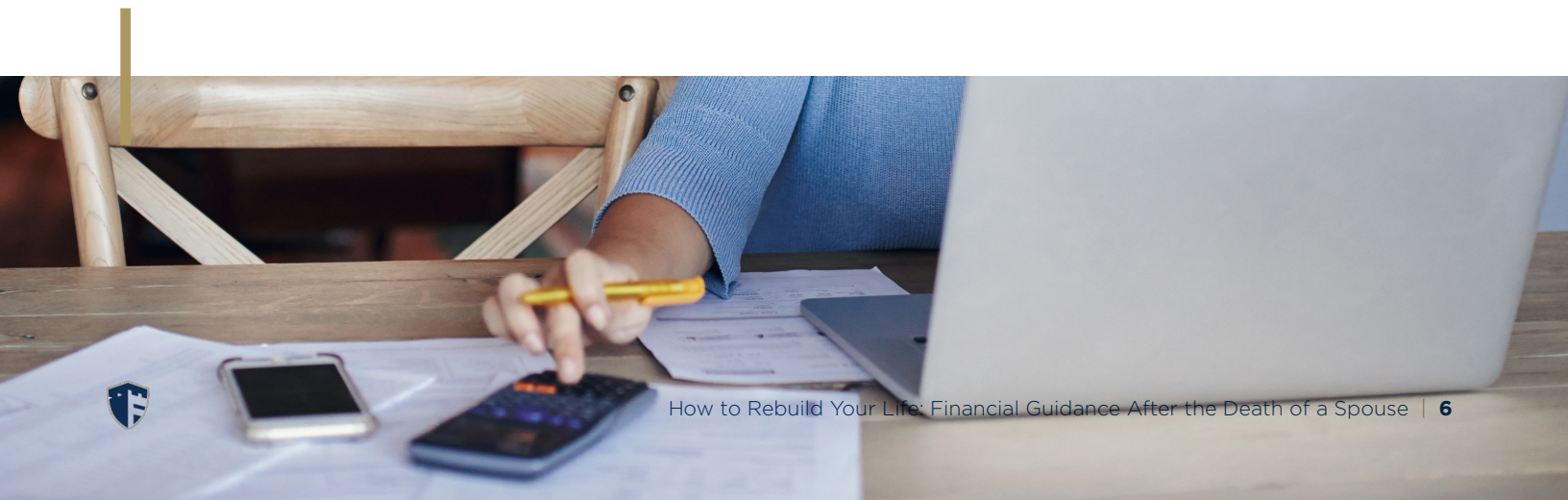
- › Know where all your accounts are (banking, credit, retirement, insurance, etc.).
- › Get the latest documentation for all income (Social Security, pension, rentals, etc.).
- › Gather all loans and bills.
- › Collect all property records (home, car, etc.).
- › Gather your tax returns.
- › Gather documentation for wills, trusts, powers of attorney, and other estate planning documents.
- › Have everything in one centralized, secure place, whether that is online or in a physical location.

This step can be challenging. Lean on people you trust for help. Talk to your financial advisor, CPA, or attorney.

UNDERSTAND YOUR BUDGET

With an organized financial picture, you are now able to build a budget. “Budget” is often a word that most of us have a tough time hearing. You may find it helpful to think of a budget as less of a “restriction” and more of an “awareness” of what it takes to run your life the way you want to live it.

A budget provides some vital structure. It helps you avoid overspending and gives you a foundation to base your goals on. It can end up providing you comfort and confidence that you are not at risk of running out of money.





The following steps will help with this process:

- To begin, **make a list of all expenses** involved in running your life today. This list should include everything from utilities and taxes to vacations and hobbies. You don't want to leave anything out since the goal is to understand your expenses today. Add to these costs a budget for "unforeseen expenses," such as home repairs and new cars, since it is likely that each year will have something you have not planned for.
- Next, you **add your income**. This list includes all salaries, pensions, investment income, and Social Security benefits. A good place to look for your income sources is a checking account to which income is deposited or your tax return, which will list all income from the prior year.

An essential part of this step is to remember that some sources of income, such as pensions and salaries, may end with the passing of your spouse. Your advisor can help identify any income changes and work with you to accurately estimate future income.

- By creating a budget, if your expenses exceed your income, you'll know immediately and **you can act**. You may need to make only tweaks, like canceling memberships or subscriptions you do not use. Or you may need more significant changes, like selling a home and downsizing. Alternatively, you may conclude you have been living below your means and have room to do things you had not done previously. The budget helps you understand this.
- Once this exercise is complete, you can begin to **assess your goals**. You'll want to work closely with your advisor to revise your investment strategy, tailoring it to your newly changed circumstances.

CLAIM SOCIAL SECURITY BENEFITS (IF ELIGIBLE)

Social Security benefits may play a vital role in your finances. Once you have determined your ongoing benefit, this amount will be factored into your budget's "income" section.

One of the first steps after losing a spouse is to [notify the Social Security Administration](#) about the spouse's passing. Depending on whether your spouse had been collecting benefits, the agency will provide you with information about what you are entitled to and the claim forms needed to initiate your benefits.

The following requirements must be met to qualify for spousal benefits:

- Your spouse was entitled to or was collecting benefits.
- You are at least 62 years of age.
- You were married for a minimum of one year.





There are exceptions to the above—for example, in cases of disability (you can apply for benefits at age 50), you have young children, or your spouse’s death resulted from an accident.

If both you and your spouse were collecting benefits, then you will receive the higher of the two amounts.

PROTECT YOURSELF AGAINST “FRIENDS” AND OTHER PREDATORS

One of the hardest things to deal with during times of significant loss is financial vulnerability. Unfortunately, this is also one of the most important things to think about, given that the financial decisions you make could risk your financial security.

During this time, potentially significant financial changes occur, such as collecting insurance proceeds and inheriting financial accounts. You might become the target of both professionals trying to convince you of the “next best investment” and “predators” trying to get close to you to influence your financial decisions in their favor.

Unfortunately, you may find that it’s not just faceless scammers who try to steal your money. It could be friends and family. This may be true especially for loved ones who have financial troubles of their own.

Because of these risks, it’s best to hold off on any major financial decisions until you are sure that you are financially secure.

You may find that deferring any financial requests to “my advisor” can help with any uncomfortable conversations that arise. In the process, you make it clear that you have a gatekeeper looking after your financial well-being.

Phase 3—In Approximately 6–8 Months

BUILD A FINANCIAL PLAN

A financial plan is a significant step in your rebuilding process. Its creation should come when you no longer feel the immediate financial and emotional pressure of your spouse’s death.

It is essential to realize that while you may have established a financial plan with your spouse, that plan will need to be revisited as you now move forward on your own. Depending on the circumstances and how long it has been since you developed the plan, you may need to start from the beginning.



It can be helpful to work with a trusted advisor who walks you through the plan's steps. The process can also help you get familiar with the various areas of your finances.

Your goals are your foundation: By now, you may have an idea about how you want your life to look like. You may be starting to set goals. You know your present financial situation, and you have a budget. You can start to build the financial plan by looking at key areas in your life: values, goals, key relationships, and financial assets.

By prioritizing the “softer” issues, like values and goals, you can make sure that the finances are available to meet these needs. If not, you can work with your advisor to tweak the plan.

Make a list of your goals, no matter how big or small, both financial and lifestyle goals. Determine how you can meet these objectives with specific, measurable action steps. If your financial assets can more than meet these goals, then you might find yourself adding new goals, including those things that you did not think you could afford.

Either way, a full review of each area of your finances (emergency fund, retirement, insurance, taxes, investments, etc.) can help you identify potential opportunities or pitfalls.

This type of goals-based planning may be unfamiliar to you. Your financial advisor may help with brainstorming and guide the process of creating a plan to achieve the goals.

REVIEW YOUR ESTATE PLAN

An estate plan protects both your heirs and, very importantly, you. It is important that you review your estate plan and make updates as necessary. And if you don't already have one, it is essential to establish one.

People often think of an estate plan as needed after their passing. As a result, many people fail to plan for their incapacity. If you become incapacitated, you should have someone you trust making financial or health care decisions for you. Estate planning helps protect you in this way.

When it comes to your heirs, your estate plan can help provide a structured, orderly process for distributing your assets according to your wishes. It can help avoid fighting among family members, court battles, and excessive taxes.

In addition, it can help protect your heirs from the same creditors and predators I mentioned earlier.





If you don't already have one, you will need a will and possibly a trust. When it comes to protecting yourself, the following documents can help [if you become incapacitated](#) and unable to make decisions:

- Financial power of attorney
- Health care power of attorney for medical decisions
- A living will to make your wishes clear on end-of-life care

You may need other estate planning vehicles or documentation depending on your situation's financial complexity and your wishes. Your estate planning attorney can lead these discussions to put in place what is most appropriate for your situation.

WORK WITH A FINANCIAL ADVISOR

As a financial advisor who has expertise in the needs of widows, I know that one of the most important needs is space. At Fortress Wealth Planning, the firm I helped found, we really do see ourselves as a fortress, and I see my role as shielding widows so they can get the space they need for the grieving process.

Whoever you work with, the right financial advisor will help take the burden off you early on. They can help you understand what needs to be done immediately and what can wait until you are ready. Instead of feeling alone, you will have a partner to help navigate your financial life.

The right advisor will have the training to understand your financial picture comprehensively. They'll see where you are financially strong and where the potential trouble spots are.

They can help pull together an array of strategies and services so you can feel supported by your finances. This will help you focus on your *LIFE* rather than trying to become an expert in financial management.

The right advisor will work with you to create a financial plan that sustains you in this time of transition and helps you rebuild your new life.

Ideally, you will work with someone who has both expertise and, perhaps more importantly, *empathy*. Someone who knows what you are going through and sees their role as helping to relieve your burden.

Because trust is paramount at a time like this, you might consider working with a fiduciary financial advisor. A firm with a fiduciary obligation must always act in your best interests and be transparent about potential conflicts of interest.

Knowing that your advisor is looking out for your interests can leave you feeling reassured that you are in trusted, capable hands during a time when you need that reassurance most.



Final Thoughts

I hope this article has given you the financial information you need to begin rebuilding after the loss of your spouse.

Do only what is vital initially, lean on your team, organize your finances, create a budget, and when you are ready, build a plan that helps you meet your financial and lifestyle goals.

Our fiduciary financial planning firm in Ponte Vedra Beach, Florida, helps serve as a fortress in times of uncertainty. We exist to provide thoughtful guidance, comprehensive financial planning, and robust investment knowledge so that you can navigate your life transition with more confidence.



You can learn more about how we help on our website or schedule a complimentary introductory call.

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