



**Long Term
Wealth Planning Checklist**

Build Wealth as a Family for your Great-Grandchildren

Why didn't your ancestors pass along their wealth?

Do you ever wish your ancestors had struck it rich and passed it along to you? Do you even just wish they had planned to accumulate a few bucks, written down the family history or started a community legacy for which the family would have been known?

American families typically focus on the single family unit versus the extended family, and on this generation and the next instead of on into the future. What would happen if your family had a plan for the next four or five generations?

Why not give your descendants a different answer to the wealth question?

You could be the first generation of your family to unite the larger family to build a long term family wealth plan. You could be the first generation of your family to preserve your culture and legacy for your great-great grand children's lifetimes. You could be the first generation in your family to work together as a tribe on a legacy, a project or an enterprise.

How to approach building a long term family wealth plan.

How would you go about all this? Books have been written to help the ultra-rich families establish their long term plans, but for the rest of us there has been no help until now.

Here is a checklist to help you develop an approach to 1) Educate your family members and discuss theories and possibilities on what you want to do. 2) Decide together if the family wants to start a long term initiative with each other. 3) Define what goals or initiative(s) the family might want to undertake and why.

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Start communicating		
<input type="checkbox"/>	Find a family 'champion' to lead the way to 100 year family planning.	<ul style="list-style-type: none"> Find someone who is eager to implement the planning and has appropriate leadership and people management skills.
<input type="checkbox"/>	Get your family act together.	<ul style="list-style-type: none"> Define family - Define current family members to include in the group that will set up the long term plan. Establish communications channels (meetings, web sites, etc). Meet Across generations . Discuss and document your collective definition of wealth (what is important to the family units and members). Talk about money and legacy – how do current members and units view family money (spend it or be a guardian), is there a family legacy and if so, what is it?
Decide to embark on a family venture		
<input type="checkbox"/>	Educate/discuss theories and possibilities with current family members.	<ul style="list-style-type: none"> Possibilities include, but aren't limited to: start a business together, pool money for passive investments, only pool non-financial resources, start a family website, educational program and etc.
<input type="checkbox"/>	Decide if family members want to start (or maintain/change) a long term initiative with each other.	<ul style="list-style-type: none"> After learning about theories and possibilities, decide as a family if you really want to undertake a long term plan or other initiative together.

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<input type="checkbox"/>	<p>Decide what goals or initiative(s) the family wants to undertake and why.</p>	<ul style="list-style-type: none"> • Decide how much involvement is desired between family units. • Document options discussed - even if discarded. • Write a full description of chosen goals or initiatives with reasons to do them.
<p>Do prep work to organize the family</p>		
<input type="checkbox"/>	<p>Share and document family histories & stories to understand each other.</p>	<ul style="list-style-type: none"> • Derive past legacies from histories to help you agree on a future legacy.
<input type="checkbox"/>	<p>Identify family culture & future family legacy to identify where your family wants to go.</p>	<ul style="list-style-type: none"> • Identify family member's core competencies and values as a group. • Discuss the past family history/legacy you found. • Decide which legacies or characteristics the group wants to drop and which to carry forward as the future family legacy.
<input type="checkbox"/>	<p>Discuss, agree on and document shared family values so your family group can move in a united direction.</p>	
<input type="checkbox"/>	<p>Brainstorm and agree on money/asset strategies so everyone is clear on where the group stands on money philosophy.</p>	<ul style="list-style-type: none"> • Will there be a shared pool of assets? • What are the purposes of the shared asset pools? • How many pools will there be? • How will the pools be sourced? • How will the assets in the pools be maintained and grown (investments, asset allocations, uses in the family and etc)? • When, how much and why will distributions from the shared pools be

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		<p>made?</p> <ul style="list-style-type: none"> • How will the family allow members to exit from the shared pool of assets? • How will the family group manage different perspectives on being custodians of money for the future or enjoyers of money in the present?
<input type="checkbox"/>	<p>Brainstorm and agree on how your family group will operate to enable implementing the long term plan and/or current initiative.</p>	<ul style="list-style-type: none"> • Will all decisions be made by the entire group? • Who will lead initially? • Will there be sub-groups (such as a family council) to make decisions and perform work? • Who will organize the family meetings? How will they be financed? • What are the expectations for each family member towards the group's activities (participation – active vs passive -, wealth distribution, wealth contributions, decision making, behavior standards and etc)? • How will disputes be resolved? • What will be your guiding principles for things such as family member education, family leadership selection and consequences of not meeting expectations of the family group? • How will your family allow your current decisions and operating modes to change in future generations – what can you put in place to allow this to happen? • How will reporting be done to the larger family group now and in the future (for example, how will activities carried out by sub-groups or members for the benefit of the larger family group be announced to the larger group)? How often will items be reported? • What will be cause for kicking someone out of the family group? • How will family members basic needs be met if they can't do it themselves?

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<input type="checkbox"/>	Brainstorm and agree on your family's view of philanthropy so it can be included in your long term plans.	<ul style="list-style-type: none"> • See Four ways to structure your cross generation philanthropic efforts or Building Your Family Legacy Through Philanthropy – 4 Family Benefits from Giving for some ideas.
Finalize and formalize decisions		
<input type="checkbox"/>	Write up a Family Agreement to formalize and document your decisions.	<ul style="list-style-type: none"> • Draft in written form the decisions made above. • Discuss, revise and make official. • Develop a mechanism to modify and distribute to all family units.
Begin operations as a family group		
<input type="checkbox"/>	Implement family governance.	<ul style="list-style-type: none"> • Select the active members for leadership, sub-groups and etc based on the selection criteria defined in your Family Agreement. • Develop a network of advisors to use for the family group's activities (lawyers, accountants, bankers, financial advisers and etc). • Formalize family meeting schedules, rules and leadership rotations.
<input type="checkbox"/>	Pool family unit assets into family group assets.	<ul style="list-style-type: none"> • Determine amount of assets available for shared pools of assets. • Review legal structures and investments for shared pools of assets. • Recommend (to the larger family group) appropriate legal structures and investments for shared pools of assets. • Authorize (through the larger family group, or the designated leaders) the set up of legal structures for shared pools of assets. • Provide funding from specified sources for shared pools of assets (all contributing members).

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		<ul style="list-style-type: none"> • Fund the investments and the legal structures according to the goals for each pool of assets.
<input type="checkbox"/>	Start your family business.	<ul style="list-style-type: none"> • Use a family member inventory of skills and resources to determine appropriate areas for the business. • Identify and research opportunities for the business. • Follow entrepreneurial guidelines to begin the business. • Begin study of special considerations that family businesses face.
<input type="checkbox"/>	Develop and implement family member training programs.	<ul style="list-style-type: none"> • Develop financial education training programs. • Develop family history and legacy training program. • Develop programs to inform younger and future family members about the Family Agreement the current members made. • Discuss and potentially develop guidelines for future family member training programs and activities (for the time when the family group has grown much larger – you might then need cousin summer camps and etc). • Develop programs and activities to begin leadership training for the next generation, heir preparation and leadership turnover activities. • Develop programs to understand differing expectations in each generation of a long term family.
<input type="checkbox"/>	Align all family unit and individual family member planning documents with the larger family group plan.	<ul style="list-style-type: none"> • Review estate plans, beneficiaries, legal structures and etc of all family members. • Discuss and agree on any changes required to align with the family group long term plan. • Have each family member make the agreed upon changes. • Review when all changes are complete.

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	Implement the long term family plan	
<input type="checkbox"/>	Perform yearly activities.	<ul style="list-style-type: none"> • Organize family group meeting – at least once a year. • Set goals each year. • Review the Family Agreement at least once a year as a group.
<input type="checkbox"/>	Manage family relationships.	<ul style="list-style-type: none"> • Hold members accountable to agreed on participation in activities of the larger group. • Test family's implementation of their agreed upon values (are family members doing what is needed to meet the value objectives?). • Maintain family relationships outside of the business, pooled assets and long term plan items. • Support the family group leader. • Optimize individual family member lives. • Treat the family group as a business. • Celebrate life passages - welcome new family members, have coming of age traditions, involve aunts and uncles with children.
<input type="checkbox"/>	Take care of ongoing business.	<ul style="list-style-type: none"> • Meet as sub groups to work towards goals. • Measure and evaluate - measure leadership performance, adviser performance, heir readiness, asset growth, goals met and other pertinent metrics. • Manage the family's financial pooled assets. • Utilize and add to all communication channels (use web sites, conference

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		<p>calls, reports, memos, family letters, family meetings and notes/perform record keeping and reporting on specified periodic basis).</p> <ul style="list-style-type: none"> • Practice risk identification and risk response (watch for risks to continuity of family culture and legacy, risks to family relationships, risks to next generation members due to wealth and etc). • Understand and manage financial risks and impacts (some risks to consider are: taxes, geographic diversification, by industry &, by size diversification, allocation between generations (growth assets to the younger members, educational funds, etc)).
<input type="checkbox"/>	Work with family group advisers to implement needed entities, investments and etc.	
<input type="checkbox"/>	Develop and implement philanthropic entities or activities agreed upon.	<ul style="list-style-type: none"> • Use as a training ground for younger members, grandparent/grandchild bonding.
<input type="checkbox"/>	Periodically evaluate the need for more advanced family services.	<ul style="list-style-type: none"> • Examples include managed funds, private banks, family offices, security services, etc.
<input type="checkbox"/>	Develop the family business (if there is one).	
<input type="checkbox"/>	Provide continued education on wealth, wealth management, wealth issues, wealth responsibilities and entrepreneurship.	<ul style="list-style-type: none"> • Mentor each other and the next generations.