

# Transferring Cherished Possessions

## FACILITATOR'S GUIDE

**RATIONALE:** Estate planning can be a complicated process, especially when considering how to transfer personal property to people who will want and care for it after your death. Charting a course of action as you begin is a way to provide clarity when creating an estate plan for your non-titled possessions.

**PROGRAM GOAL:** Establish the importance of estate planning for non-titled possessions.

### OBJECTIVES:

- Understand what is in your estate
- Discuss estate planning considerations
- Document your wishes for your estate

### RESOURCES FOR LEADERS:

- Facilitator's Guide
- PowerPoint Presentation

### RESOURCES FOR PARTICIPANTS

- MONEYWISE publication, Volume 13, Issue 12: *Transferring Cherished Possessions: Estate Planning Tips for Non-Titled Property*
- Activity #1: "Asset Distribution Plan" Handout
- Activity #2: "Letter of Last Instructions" Handout
- Optional – MONEYWISE publication, Volume 12, Issue 4: *Extension Publications to Help with Estate Planning* (This resource may be useful for participants who want additional information on basic estate planning steps.)

## MATERIALS NEEDED

- Computer and screen or projector
- Copies of participant handouts

## ESTIMATED TIME

This lesson is designed to take between 45 and 60 minutes to complete. You may shorten or lengthen the lesson by extending discussion times as needed.

## PROGRAM PREPARATION

- Thoroughly review the publication, presentation, and Facilitator's Guide to familiarize yourself with the content you will be sharing.
- Prepare copies of any participant resources and worksheets.
- Secure computer, projector, and PowerPoint visual resources.

## INTRODUCTION

### Slide 1 – Title Slide

Share the rationale and goal stated on page one of this guide.

### Slide 2 – Lesson Objectives

Review the lesson objectives.

### Slide 3 – What Do You Cherish?

Think about a cherished possession you have received from a loved one. How did you inherit the item, and what makes it special to you?

*Ask participants to share. You might consider having an example of your own prepared to get the group started. Depending on group size, you may have every participant – or just a few volunteers – share about their cherished possession. Allow approximately 10 minutes for this icebreaker.*

## OBJECTIVE 1

*Understand what is in your estate.*

### Slide 4 – Importance of Planning

The task of sorting through a lifetime of belongings can be overwhelming. It's natural to feel a range of emotions. You might procrastinate on the task to protect yourself from feelings that may surface. You also may be worried about treating all heirs fairly and not hurting anyone's feelings as you make difficult decisions.

After your death, the full contents of your estate must be distributed. This includes all the items you cherished within it (*and even some you didn't cherish*) from closets to cupboards, attics to basements, clothes to clutter, furniture to knickknacks. This contains your titled property (like your home, land, or car), but it also includes **everything** you owned within your property. Quite simply, your estate is *everything* you own.

Although difficult, estate planning is important to help your executor distribute your non-titled property – from cherished possessions to clutter – according to your wishes. To get started, let's first consider what *non-titled property* is.

### **Slide 5 – What is Non-Titled Property?**

Non-titled property consists of items without accompanying legal documents, such as a vehicle title, property deed, or insurance policy. Often non-titled property does not have an estimated or firm financial value — although it may be valuable, whether it holds financial or sentimental value. It may encompass many cherished possessions like family heirlooms, jewelry, collectibles, or things that held special significance.

Non-titled property will also include a lot of other “stuff” like boxes in the garage that have been collecting dust for decades, the random items in your “junk” drawer, or the pileup of “things” outside in the barn. Regardless of whether an item is cherished or not, it is important to have a plan for every item you own.

## **OBJECTIVE 2**

*Discuss estate planning considerations.*

### **Slide 6 – Legal Considerations**

Creating a plan for your possessions is important from a legal standpoint. You may have started labeling items around your house, perhaps with sticky notes or by keeping a running list in a notepad. While these methods may help you think through a distribution plan, they are not legally binding.

You might consider distributing possessions to non-family members. Without legally binding documents indicating your desire for non-family members to receive possessions, they may not be considered in the distribution process. Legally binding plans can also help minimize conflict over inheriting possessions that hold monetary value.

Consulting with a trusted estate planner or attorney is recommended. They can help you navigate this complicated process, including what constitutes a legal will in Kentucky, how to manage estate taxes, and the responsibilities of an executor. Also, they can help you understand what happens to your estate if you die without a will under Kentucky state law.

## **OBJECTIVE 3**

*Document your wishes for your estate.*

### **Slide 7 – Passing on Possessions**

Before we discuss creating plans for our possessions, think about one special item you would like to pass on to someone in your family. How do you plan to pass this item on? Is there a story behind it? What makes it special?

*Ask participants to share. You might consider having an example of your own prepared to get the group started. Depending on group size, you may have every participant – or just a few volunteers – share about a cherished possession they plan to pass on. Allow approximately 10 minutes for this discussion, depending on the remaining time you have for the lesson.*

## Slide 8 – Asset Distribution Plan

When deciding “who gets what” in your estate, one way to simplify the process is to create an *asset distribution plan* or a list that details how the items in your home will be distributed and disposed of upon your death. Your plan should contain four columns: Possession, Recipient, Reason, and Distribution Method.

To begin, select one room in your home to “inventory,” jotting down notes as you go. In the **Possession** column, list each item or group of items you find. In the next column, indicate the **Recipient** you want to receive that belonging. It can be a specific person, like a loved one, or it can be an organization, like a donation center. In the **Reason** column, note why the item is or is not special, as well as why you’ve selected that recipient. Finally, select a **Distribution Method**, such as gift, sell, or donate.

### ACTIVITY #1: ASSET DISTRIBUTION PLAN

*Distribute the handout, Activity #1: “Asset Distribution Plan,” to participants for them to complete at home. Inform them that they can complete their asset distribution plan after the lesson. Let participants know they can make copies of the worksheet – or create their own – for use in their home.*

*Review the instructions on the handout and talk through the example asset distribution plan on Slide 8, reading one row at a time.*

*For example, you might say: “The first possession this person noted is their family cookbook. It looks like they want to give it to their granddaughter, Claire, because she loves to cook and help in the kitchen. They plan to give Claire the original cookbook and ask her to make copies of the recipes for other family members to have.”*

## Slide 9 – Letter of Last Instructions

Another way to document your plans is to write a Letter of Last Instructions. A Letter of Last Instructions is an informal letter providing instructions to your family, executor, or attorney about your final wishes for the settlement of your estate upon your death.

You can use this letter to let your heirs know the location of important documents like your insurance policies, will, or bank documents; instructions for funeral arrangements; and your *Asset Distribution Plan*.

After completing a Letter of Last Instructions, be sure your executor has a copy or knows where to locate it quickly. If your letter includes time-sensitive items like funeral arrangements, you’ll want them to have access to your wishes immediately after your death. You also may consider attaching it to your will but remember to consult an attorney if you want to make your wishes legally binding.

### ACTIVITY #2: LETTER OF LAST INSTRUCTIONS

*Distribute the handout, Activity #2: “Letter of Last Instructions,” and read through the instructions together. Inform participants that they can write their letter after the lesson. Emphasize that working with a trusted attorney is recommended and offer a gentle reminder that this activity may stir up emotions. Encourage participants to reach out to a trusted family member, friend, counselor, clergy, or other helping professional if they experience sadness or anxiety as they reflect on their estate plans.*

## **Slide 10 – Transferring Cherished Possessions Series**

*If your group is interested in the full Transferring Cherished Possessions curriculum, offer to arrange it on their behalf with your local FCS Agent or Dr. Nichole Huff, Extension Specialist for Family Finance and Resource Management (nichole.huff@uky.edu).*

*The curriculum offers four full publications and corresponding materials:*

- (1) Where Do I Start?*
- (2) What is Fair?*
- (3) Who Gets What?*
- (4) How Can We Communicate Without Conflict?*

## **Slide 11 – Attributes**

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