Planning for the Inevitable

Make a plan for final expenses—and for access to the money

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A client's lesson: money available is not always money accessible

After a client lost his mother, I asked what he would have done differently. He had served as his mother's agent for financial and healthcare decisions and was also the executor. His answer was practical: he wished he had arranged access to a $20,000 reserve for the funeral and other immediate expenses. His mother had sufficient assets, but account-access delays meant the son used his own savings.

That experience highlights a gap in many estate plans. A family can have a will, powers of attorney and substantial assets, yet still need a clear way to pay bills during the first days and weeks after a death. The lesson is to arrange both a reserve and lawful access to it—not simply to move a parent's money into a child's name.

What changes when someone dies?

Financial power of attorney: Ordinary authority to handle the parent's finances generally ends at death. "Durable" does not mean continuing authority to bank after death. Kansas law recognizes narrow exceptions for certain specifically granted powers; these do not create general estate-management authority. Once you know the parent has died, do not continue ordinary transactions using the old POA. [1]

Healthcare power of attorney: This is not authority to withdraw money. Kansas permits certain actions concerning organ donation, autopsy and disposition of the body after death. Authority to arrange these matters does not itself authorize access to a bank account. [2]

Executor or personal representative: Being named in a will and obtaining authority to administer the estate are different steps. Court documents are generally needed for estate administration. Kansas specifically permits a named executor to pay reasonable funeral expenses and conserve the estate before letters testamentary are granted; that limited exception does not guarantee a bank will release money without its required documentation. [3, 4]

Account access: Not every account is automatically frozen. Sole-owner estate accounts, joint accounts, beneficiary accounts and trust accounts can follow different processes. Banks may require a death certificate, identification and ownership or court documents. Ask the institution what it will require and whether any holds may apply. [4]

Choose the reserve from actual needs

$20,000 was this client's suggested amount, not a universal target or a national funeral-cost estimate. Gather funeral and cemetery quotes, then consider property upkeep, utilities, travel, administrative costs and other immediate obligations. Subtract amounts already prepaid or reliably funded and add a reasonable cushion. Keep the reserve separate in your planning records and review it periodically.

The planning question: Who can lawfully use which funds, for which expenses, and how soon after a death?

Joint account or the child's own account?

A joint account with rights of survivorship can work. The surviving owner generally receives the account funds and may be able to write checks using their own ownership authority once bank requirements are met. Confirm survivorship in the account agreement; a tenants-in-common account works differently. Check that the money market account permits checks or quick transfers. [5]

Joint ownership also gives the other owner access during the parent's lifetime. It can change who receives the money and create exposure to the co-owner's financial problems, depending on state law. A survivor is not automatically legally bound to use the funds for funeral costs simply because the family intended that use. Coordinate ownership and any written obligations with the estate plan. [5, 6]

A gift into the child's own account gives access now—but changes ownership. If the parent makes an outright gift, the child owns the money. A separate account label such as "Mom's expenses" does not preserve Mom's ownership or create an enforceable spending restriction. Consider what happens if the child dies, divorces, has creditors or spends the funds. If the child is instead holding money as an agent or trustee, use the legally appropriate arrangement and title rather than treating it as a personal gift.

A $20,000 outright gift from one parent to one child in 2026 exceeds the $19,000 annual federal gift-tax exclusion. Assuming no exception applies, the parent generally must file Form 709; filing does not necessarily mean tax is owed. Other gifts to that child during the year also count. Transfers for less than fair value can also affect Medicaid long-term-care eligibility under its five-year lookback, subject to exceptions and applicable rules. [7, 8]

Do not make a transfer to yourself merely because you hold a POA. The document and state law determine authority. Kansas requires express authorization for certain actions, including gifts and beneficiary changes. Have the parent make an informed decision while capable, or have counsel verify the agent's authority before changing ownership. [9]

Other ways to organize the reserve

Arrangement	Potential benefit	What to confirm
Parent-owned account with POD beneficiary	Parent retains lifetime control; beneficiary receives funds at death.	Death-certificate and payout timing; beneficiary is not automatically required to pay expenses.
Properly funded revocable trust	Successor trustee can follow written expense instructions.	Trust terms, funding, bank documentation and timing.
Child's own savings as a bridge	No transfer of the parent's ownership is needed.	Affordable amount to advance; reimbursement is not automatic or guaranteed.

Beneficiary and trust-account processing are described in bank estate guidance. Neither arrangement guarantees same-day access. A beneficiary designation alone is not an expense-payment agreement. [4]

Our planning judgment: There is no universally better account. If retaining the parent's control is important, begin by discussing a designated POD reserve or funded trust. If considering joint ownership, limit the discussion to the reserve needed and understand its effects. A gift to the child deserves separate legal and tax review; it is not the default solution.

Where to keep the reserve

For near-term expenses, prioritize stability and access. A bank savings or money market deposit account may be suitable if its withdrawal features meet the plan. A money market deposit at an FDIC-insured bank has deposit insurance within applicable limits; a brokerage money market mutual fund is an investment and is not FDIC-insured. Confirm transfer procedures, check-writing, minimums and account ownership—not just the yield. [10]

What you can do—and what to avoid—after a death

Notify institutions and establish authority. Obtain certified death certificates, locate the will and trust, and contact the attorney and financial institutions. Provide documents required for your role; do not rely on the deceased person's login, debit card or signature to bypass the process. [1, 4]

Pay through the proper channel. An authorized executor pays estate expenses through estate administration; an authorized trustee follows the trust; a surviving owner or beneficiary uses funds under their own rights. These roles may be held by the same person, but the money and records should reflect the correct role. [4, 5]

Do not assume every debt becomes yours. The estate generally owes the deceased person's debts. Exceptions include certain jointly owed debts and state-law obligations. A person who signs a funeral or other contract may create a separate personal obligation; read payment terms before signing. Discuss estate payment priorities with counsel before paying creditors or distributing assets. [11]

Document personal advances. Keep itemized invoices, proof of payment and a ledger if you use your own money. Ask counsel how to seek reimbursement and whether deadlines apply. Do not reimburse yourself informally or assume the estate will repay every expense.

A short family checklist

1. Estimate immediate expenses and decide on a reserve the parent can afford.
2. Agree on who will arrange services and who will handle money.
3. Have the attorney, advisor and bank coordinate ownership and authority.
4. Confirm required documents and likely access timing with the bank.
5. Record expense instructions and how unused funds should be handled.
6. Keep account locations, professional contacts and funeral wishes accessible to the responsible person.

One step today: Ask your family: "If a death occurred this week, how would we pay the first bills?" Planning that answer now can reduce financial strain during an already difficult time.

Sources and notes

Sources accessed October 12, 2026. Client experience supplied by Jim; identifying details omitted. Kansas statutes illustrate local rules, not nationwide law. This is general education; obtain estate-law and tax guidance before changing ownership, making gifts or paying estate claims.

[1] Kansas K.S.A. 58-657: termination of POA.

[2] Kansas K.S.A. 58-629: healthcare agent; effect of death.

[3] Kansas K.S.A. 59-704: executor before letters granted.

[4] Bank of America. Estate Services: deceased accounts and documentation.

[5] CFPB. What happens to a joint bank account when an owner dies?

[6] CFPB. Joint accounts and alternatives for banking assistance.

[7] IRS. Frequently Asked Questions on Gift Taxes.

[8] Medicaid.gov. Eligibility Policy: transfers of assets.

[9] Kansas K.S.A. 58-654: expressly authorized powers.

[10] SEC / Investor.gov. Cash Sweep Programs Investor Bulletin.

[11] CFPB. Does a person's debt go away when they die?