TRUST ADMINISTRATION TIMELINE

A PRACTICAL CPA REFERENCE GUIDE

Key administrative tasks and review points throughout the life of a trust.

THE BIG PICTURE

Effective trust administration is an ongoing process. Proactive planning and regular review help ensure compliance, reduce risk, and support family harmony over generations.

TIMING	FOCUS	KEY ACTIONS & CONSIDERATIONS
AT CREATION Trust is signed and funded	**SET THE FOUNDATION** Establish clear structure, roles and documentation.	❑ Review trust terms, trustee powers, and distributions standards ❑ Confirm funding of assets and titled ownership ❑ Obtain taxpayer ID and open trust accounts ❑ Identify and engage key advisors (CPA, attorney, investment advisor) ❑ Create trust binder (documents, contacts, checklist)
ONGOING Day-to-day to annual	**MANAGE & MONITOR** Carry out fiduciary duties and maintain good governance.	❑ Administer investments and monitor performance ❑ Keep accurate records of all income, expenses, and distributions ❑ Review and pay bills; manage cash flow and liquidity ❑ Communicate with beneficiaries as appropriate ❑ Maintain insurance and protect trust assets ❑ Prepare annual trust tax returns (if required) ❑ Document decisions and actions
ANNUAL REVIEW At least once per year	**REVIEW & ASSESS** Evaluate performance, compliance and changing circumstances.	❑ Review investment strategy and risk exposure ❑ Confirm trustee and advisor performance ❑ Evaluate administrative processes and costs ❑ Review trust provisions in light of current law and circumstances ❑ Assess beneficiary needs and family dynamics ❑ Document annual review and any decisions made
MAJOR LIFE EVENTS As circumstances change	**ADAPT & RESPOND** Adjust administration as family or external factors change.	❑ Death, marriage, divorce, birth, or incapacity ❑ Changes in beneficiaries' financial needs ❑ Relocation of trustees or beneficiaries ❑ Sale or acquisition of significant assets ❑ Change in ta law or regulations ❑ Business succession or liquidity events ❑ Update documents or governance as needed
PERIODIC PLANNING REVIEW Every 3-5 years or as needed	**PLAN FOR THE FUTURE** Ensure the trust continues to align with long-term goals and strategy.	❑ Review overall estate and tax plan ❑ Consider trust modifications or decanting ❑ Evaluate dynasty planning and multigenerational goals ❑ Assess asset protection and jurisdictional considerations ❑ Coordinate with all advisors ❑ Update succession plan for trustee roles
TRUSTEE TRANSITION Upon resignation, retirement or incapacity	**ENSURE A SMOOTH HANDOFF** Transfer responsibility without disruption.	❑ Follow trust terms for resignation or removal ❑ Provide notice to beneficiaries and co-trustees ❑ Evaluate and transfer records and accounts ❑ Prepare status report and accounting ❑ Confirm successor trustee acceptance and onboarding ❑ Update institution signatures and contacts
AT TERMINATION When trust terms are completed	**CLOSE & DISTRIBUTE** Wind up affairs and complete final administration.	❑ Verify all terms and conditions are met ❑ Provide final accounting and tax returns ❑ Distribute remaining assets to beneficiaries ❑ Obtain releases and receipts ❑ Close trust accounts and retain records as required

Nevada TRUST COMPANY®
Managing Trusts and Investments
Nevadatrust.com
702-696-0000

BEST PRACTICES FOR SUCCESSFUL ADMINISTRATION

DOCUMENT EVERYTHING
Keep clear, complete, and organized records.

COMMUNICATE PROACTIVELY
Keep beneficiaries informed and expectations clear.

REVIEW REGULARLY
Circumstances change. So should your administration.

SEEK EXPERT GUIDANCE
Leverage your team of trusted advisors.

THINK LONG TERM
Good administration today protects tomorrow.

KEY ACTIONS CHECKLIST

- ✓ Maintain a current trust binder with key documents
- ✓ Track all income, expenses and distributions
- ✓ Reconcile trust accounts regularly
- ✓ Review investment performance and risk
- ✓ Ensure all filings and tax returns are completed
- ✓ Communicate with beneficiaries as appropriate
- ✓ Document decisions and maintain meeting notes
- ✓ Review insurance and asset titling
- ✓ Update contact and successor information
- ✓ Assess and mitigate potential conflicts
- ✓ Conduct periodic trustee and advisor reviews
- ✓ Plan for trustee succession

RED FLAGS TO WATCH FOR

- ⚠ Incomplete or missing records
- ⚠ Assets not properly titled in the trust
- ⚠ Irregular or undocumented distributions
- ⚠ Lack of communication with beneficiaries
- ⚠ Trustee overwhelmed or unavailable
- ⚠ Outdated trust document language
- ⚠ Structures unreviewed for many years
- ⚠ Unclear roles and responsibilities
- ⚠ Concentrated or illiquid assets with no plan
- ⚠ Family conflict impacting decisions

KEY TAKEAWAY

Trust administration is more than paperwork. It's about stewardship, communication, and foresight. By following a disciplined process and partnering with experienced advisors, trustees can protect assets, support beneficiaries and honor the grantor's intent for generations.

Nevada TRUST COMPANY®
Managing Trusts and Investments
Nevadatrust.com 702-696-0000