A GUIDE BY STREAMLINE BOOKKEEPING

The Family Trustee's First 90 Days

1 ORIENT
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$124 TRILLION
is transferring to the next generation through 2048.

You've been trusted with something important.

This guide helps you honor that trust with confidence.

01 GET ORIENTED

Someone Trusted You

You've been named trustee of a family trust. Maybe a parent passed away. Maybe they're still living but need help. Either way, someone chose you — and that means something. You don't need to become an accountant. You just need to understand the basics, set up good systems, and know when to ask for help.

NOTE

This guide is educational, not legal or tax advice.
When in doubt, consult a professional.

1 WEEK 1-2

2 WEEK 3-4

3 MONTH 2

4 MONTH 3

- **Call Your Lawyer**
  Your first call should be to the attorney who drafted the trust. Let them know you're taking over, ask about immediate deadlines, and confirm who to contact with questions.

- **Read the Trust Document**
  This is your guidebook. Look for: who are the beneficiaries? What should happen with the assets? What powers do you have? Are there co-trustees?

- **Identify All Trust Assets**
  List everything the trust owns: bank accounts, investments, real estate, business interests, valuables, life insurance. Check mail and email for statements.

- **Secure the Assets**
  Change locks on property if needed. Notify financial institutions you're the trustee. Collect valuables. Don't let anyone borrow trust property.

- **Open a Dedicated Bank Account**
  Trust funds should never mix with personal money. This is called commingling — one of the fastest ways to get in legal trouble. Open an account in the trust's name.

KEY INSIGHT

Most trustee problems don't start with bad intentions. They start with not knowing what you don't know. This guide helps you close that gap.

02 UNDERSTAND THE FUNDAMENTALS

Principal vs. Income

This distinction trips up almost every new trustee, but once you understand it, everything else makes more sense.

PRINCIPAL

The original assets — the house, the stocks, the savings. This is the "body" of the trust.

INCOME

What those assets produce — rent, dividends, interest from savings accounts.

Many trusts say "income to the surviving spouse, principal to the children." Misclassify something, and you're giving money to the wrong person. A trust bookkeeper handles this classification — your job is knowing it matters.

EXAMPLE

A father leaves $300K in stocks to a trust. His second wife gets only the income (dividends). The children inherit the principal when she passes.

Code a dividend as principal instead of income? The wrong person's account grows. Do that for a year, and unwinding it is a nightmare.

Your Fiduciary Duties

01 Act in beneficiaries' best interests — not your own

02 Be impartial between beneficiaries

03 Invest prudently — not too risky, not too conservative

04 Keep accurate records of everything

05 Provide accountings when required by law or beneficiaries

03 SET UP SYSTEMS

Build Your Infrastructure

- **Create a Filing System**
  Bank statements, receipts, beneficiary correspondence, professional invoices, the trust document.
- **Track Income and Expenses**
  Every dollar in and out: date, amount, source, category, and whether it's principal or income.
- **Set Up a Calendar**
  Tax deadlines (Form 1041), distributions, insurance, property tax due dates.
- **Communicate with Beneficiaries**
  Acknowledge your role, explain you're getting organized, give a timeline. Silence breeds suspicion.

04 BUILD YOUR TEAM

You Don't Do This Alone

The best trustees know where they need support. Here's who handles what.

PROFESSIONAL	WHAT THEY HANDLE
Trust Attorney	Interpreting the document, court filings, disputes
CPA	Tax returns (Form 1041), complex accounting questions
Trust Bookkeeper	Monthly records, principal/income classification, reports
Financial Advisor	Investment management, portfolio decisions

TIP Look for professionals who specialize in trusts. A great small business CPA may not understand trust accounting. Specialization matters.

Consider Your Time

Being a trustee takes 5–15 hours per month. If that's more than you can give, you can hire professionals for pieces like bookkeeping, resign in favor of a professional trustee, or ask a court to appoint a co-trustee. There's no shame in getting help.

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05 YOUR 90-DAY CHECKLIST

The Complete Checklist

GET ORIENTED

- [ ] Call your lawyer
- [ ] Read the trust document
- [ ] Identify all beneficiaries
- [ ] List all trust assets
- [ ] Secure property and valuables
- [ ] Open a trust bank account
- [ ] Understand principal vs. income

SET UP SYSTEMS

- [ ] Create a filing system
- [ ] Track income and expenses
- [ ] Calendar key deadlines
- [ ] Communicate with beneficiaries

BUILD YOUR TEAM

- [ ] Identify a trust attorney
- [ ] Identify a CPA for trust taxes
- [ ] Consider a trust bookkeeper
- [ ] Assess your time commitment
- [ ] Schedule regular updates

QUESTIONS FOR YOUR TEAM

- [ ] Is this distribution appropriate?
- [ ] How should I classify this?
- [ ] What are key tax deadlines?
- [ ] What reports should I keep?

Ready for Support?

This guide gets you started, but every trust is different.
If you want help staying on track, we're here.

WHAT WE DO

- Principal vs. income tracking
- Monthly reconciliation
- Court-ready reports
- Tax-prep records for Form 1041

WHY FAMILIES CHOOSE US

- Trust specialists since 2010
- Two staff members per client
- Nationwide service
- $300 – $1,500 / month

You've got this.

Thousands of family trustees navigate this successfully every year.

Schedule a Free Consultation

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