

Wealth & Trust Schools

LEVEL 2

Course Catalog

ABA Wealth and Trust School – Level 2

Level 2 of the Wealth and Trust School offers a curriculum designed for existing fiduciaries to augment their skills and apply what they learned in Level 1. The emphasis will be on aligning industry principles with advanced trust concepts; topics covered include special needs trusts, portfolio management and investments.

Courses included in this catalog will be offered virtually in the spring and in person in the fall, and are subject to change.

Developing a Personalized Wealth Management Strategy

1 hour

Instructor: Kent Lytle

This course explores approaches to understand, interpret, and restate a client's wealth strategy by drawing from their financial plan, estate documents, and investment or asset management plans. The course also explains how to look for alignment, consistency, and gaps in the articulated plan and the client's expectations.

Learning objectives:

After completing this course, you will be able to:

- Recognize why a wealth plan is critical to achieving a client's long- and short-term financial goals
 - Explore the steps in a wealth management strategy to probe deeper and analyze the client's documents
 - Evaluate client structures to ensure they serve the wealth management strategy
 - Provide solutions to make the client's wealth management strategy a reality
 - Determine ways to keep clients engaged during ongoing monitoring and communication
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Property Included on Transfer Tax Returns

2.5 hours

Instructor: Steve Goodman

This course explains the purpose of the Transfer Tax System, identifies steps to calculate the estate tax, and identifies transactions that are subject to gift tax.

Learning objectives:

- Explain the purpose of the Transfer Tax System
 - Identify steps to calculate the estate tax
 - Identify transactions that are subject to gift tax
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Generation Skipping Transfer Tax

2 hours

Instructor: Tom Abendroth and Tracy McLaughlin

Explores planning aspects of the GST tax. Describes the transfer categories and how they are explained to clients and applied. Explains how allocations are used in GST tax exemptions and timely allocations and tax returns and the possible difficulties of making late allocations of filings. Reviews the automatic allocation rules with respect to property transfers, and describes concepts used in calculating the tax. Discusses differences between GST tax on taxable terminations, taxable distributions, and direct skips, and describes the treatment of effective date rules for trusts.

Learning objectives:

- Define key terms related to GST
 - Describe planning aspects of GST
 - Identify the transfer categories, exceptions, and exclusions for GST
 - Explain the benefits of the generation-skipping transfer exemptions and allocations in estate planning
 - Recognize the concepts associated with calculating the GST tax, including special rules
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Fiduciary Income Tax

2.5 hours

Instructor: Tom Lasley

Describes different types of taxes that estates and trusts are subject to and how the various entities are taxed. Explains taxation associated with grantor, charitable, estate, and nongrantor trusts, as well as private foundations and public charities. Identifies income tax deductions available to individuals, trusts, and estates. Defines trust accounting income and explains distribution deduction for simple and complex trusts and distributable net income (DNI). Describes the distribution deduction for simple trusts and complex trusts and estates.

Learning objectives:

- Identify the types of taxes and how entities are taxed
 - Describe general tax rules and concepts for grantor, charitable, estate, and nongrantor trusts, as well as private foundations and public charities
 - Explain how income tax deductions play a key role in tax planning
 - Determine tax treatment for beneficiaries of simple and complex trusts
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Estate Planning for the Business Owner

2.5 hours

Instructors: Austin Bertrand

Estate Planning for the Business Owner explores approaches to ensure planning aligns with the client's goals for the business. Examines planning for successors and valuation of closely held businesses, including IRS guidelines. Describes actions to freeze estate value, and deferral of estate tax. Describes lifetime gifts, outlines the benefits and pitfalls of buy-sell agreements. Explores the ESOP transaction, tax implications, and benefits, and administering S corporation interests.

Learning objectives:

- Describe the estate planning challenges for owners of closely held businesses
- Identify methods used in valuing closely held businesses, determining discounts, and structuring restrictive agreements
- Explain corporate recapitalization and the utilization of freezing and deferral techniques
- Describe the planning methods available for the effective transfer of privately owned businesses

Post-Mortem Tax Planning

2.25 hours

Instructors: Austin Bertrand

Explains the objectives of estate planning and considerations for the fiduciary related to tax elections and options when there is no will or an inadequate will. Describes elections to consider for the decedent's final income tax return and key fundamentals regarding the fiduciary income tax return. Identifies the apportionment clauses under the decedent's estate planning documents. Explains how to apply strategic tax saving factors when filing an estate tax return.

Learning objectives:

- Describe the purpose and benefits of post-mortem estate planning
 - Recognize the practices and elections an executor should consider for the decedent's final income tax return
 - Identify the key fundamentals when completing the fiduciary income tax return
 - Determine the strategic tax saving factors to consider when filing estate tax returns
 - Consider apportionment decisions when an estate plan is absent or inadequate
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Special Needs Trust

2.25 hours

Instructors: Kristen Lewis

This course explores the characteristics of Special Needs Trusts (SNTs) and describes the two types: First Party SNT and Third Party SNT. The course reviews the public benefits for which an individual living with special needs may be eligible and describes steps to take when planning for individuals living with special needs.

Learning objectives:

- Describe the characteristics and types of Special Needs Trusts
 - Explain considerations for accessing public benefits
 - Describe steps to take when planning for individuals living with special needs
 - Explain requirements for ABLE Accounts
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Prudent Portfolio Management

1.5 hours

Instructor: Erik Davidson

Prudent Portfolio Management outlines the laws and guidelines that have a significant impact on how portfolio managers perform their role, including the Uniform Prudent Investor Act and Uniform Principal and Income Act. Discusses key decision-making factors in prudent investment portfolio management. Explains the fiduciary professional's duty to diversify and to balance the interests of income and principal beneficiaries fairly.

Learning objectives:

- Describe statutes, rulings, and standards that have a significant impact on how portfolio managers perform their role
 - Describe prudent fiduciary professionals' decisions, considerations, and strategies to manage trust investment portfolios
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Investment Products

2.75 hours

Instructor: Greg Maddox

Investment Products describes the types of liquid investment products. Identifies the characteristics of common stock and preferred stock. Explores the most common debt market instruments and how they differ in terms of risk, yield, maturity, and tax implications. Describes the advantages and disadvantages of mutual funds and exchange traded funds. Explores common types of alternative investment products. Explains the benefits and risks of non-U.S. investments.

Learning objectives:

- Describe the types of liquid investment products
 - Describe investment products commonly found in the equity market
 - Define investment products commonly found in the debt market
 - Recognize the characteristics of mutual funds and exchange traded funds
 - Describe alternative investment products
 - Identify benefits and risks of non-U.S. investments
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IRAs and Qualified Retirement Plans

3 hours

Instructor: Tom Lasley

Explores key concepts on basic IRA product features and benefits, contribution and distribution requirements. Explains traditional, rollover, and Roth IRAs, including the new conversion rules, as well as Simplified Employee Pension Plans and SIMPLE Retirement Accounts. Explains the Internal Revenue Code (IRC) requirements for qualified retirement plans. Describes the two categories of qualified plans—defined benefit plans and defined contribution plans. Describes the features and benefits of defined contribution plans. Explores common types of defined contribution plans offered by small businesses and large organizations. Explains the tax treatment of qualified plan benefits, the methods and requirements for distributing retirement resources in a timely and tax-effective manner, the impact on the estate plan of naming various beneficiaries, and the post-mortem payout requirements.

Learning objectives:

- Describe the types of individual retirement accounts (IRAs), including contribution rules
- Explain the IRA withdrawal requirements
- Explain the two categories of qualified retirement plans (QRPs), general plan requirements, and requirements for participation and coverage, contribution and benefit limits, vesting, and distributions

- Describe features and benefits of defined benefit plans
 - Describe features and benefits of defined contribution plans and common types of these plans
 - Explain the favorable tax treatment of IRAs and QRPs and common related administrative issues
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Stock Selection and Analysis

1.5 hours

Instructor: Bill Stone

Explains the characteristics of equity securities. Describes equity investment categories and classifications. Differentiates between the top-down and bottom-up approaches to fundamental analysis. Identifies indicators and methods that analysts use to select stocks. Identifies theories, how investor sentiment is used, and how the flow of funds in the market affects technical analysis. Identifies stock exchanges and different types of stock trades, and stock investment and trading strategies.

Learning objectives:

- Identify the different categories and classifications of equity securities
 - Describe fundamental analysis to evaluate and select equity securities for investment portfolios
 - Describe technical analysis to evaluate and select equity securities for investment portfolios
 - Identify stock trading methods and strategies
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Bond Selection and Analysis

1.5 hours

Instructor: Bill Stone

Explains key features of bonds. Explores the different ways to look at bond yields that help explain a bond's value to clients and the importance of having working knowledge of duration as the most important measure of bond risk. Discusses investment strategy decisions that help clients to select investment options that meet their needs.

Learning objectives:

- Identify the features of bonds
- Describe the different types of yield associated with bonds
- Describe the importance of duration in bond selection
- Describe strategies for selecting bonds

Fundamentals of Insurance

1.25 hours

Instructor: Steve Goodman

Fundamentals of Insurance describes how risk is addressed through insurance, which is an important component of an overall wealth management plan. Describes homeowners insurance, homeowners' liability, homeowners medical payment coverages, and optional floaters and endorsements. Explores types of auto insurance coverages. Describes the purpose of umbrella policies, and the features of comprehensive personal liability policies. Explains who needs business liability policies and describes the elements of professional liability policies. Explores the options available in employer-provided medical insurance and explains the government-provided medical insurance plans. Explains how to identify individuals that should consider critical illness insurance and describes providers of disability income insurance coverage and explains the different policy riders. Discusses the features of long-term care (LTC) insurance and tax-qualified LTC policies. Describes types of special coverage insurable risks and typical associated coverages.

Learning objectives:

- Explain how risk is addressed through insurance
- Identify the features of homeowners insurance
- Identify auto insurance coverages
- Explain the various types of liability insurance
- Describe the medical insurance options available to clients
- Identify the providers and optional riders offered with disability income insurance
- Explain long-term care insurance and the policies recommended
- Describe the types of special coverage available to clients

Life Insurance Considerations and Annuity Options

3 hours

Instructor: Steve Goodman

This course describes the key planning considerations for life insurance, including amount, type and length of policy, funding levels, and policy features. The course walks through the process for conducting a life insurance financial gap analysis to determine the amount of life insurance needed to meet client needs.

The course also explains life insurance tax considerations, including tax deferral, tax basis, and investment amount limitations. Describes the use of life insurance as a financial tool, comparing term life insurance and permanent insurance, including common types. Discusses the appropriate use of policy illustrations and explains how to manage the death benefit option in a universal life policy, and the type of expenses associated with variable universal life policies. Describes how wealth accumulates in variable universal life policies.

Learning objectives:

- Identify key planning considerations for life insurance
 - Analyze a client's life insurance needs and identify gaps in existing coverage
 - Describe life insurance tax considerations
 - Explain the use of life insurance as a financial tool
 - Describe the characteristics of term life insurance and permanent life insurance, and the common types of term and permanent life insurance policies
 - Describe the management of universal life policies, including expenses and wealth accumulation.
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Capstone Case Study

1.75 hours

Instructors: Jody Denney-Vazquez and Lisa Bittner

This capstone class combines lessons learned from both levels of the Wealth and Trust Schools into an interactive case study.