



## Work Life in the Rear View

How to Prepare for Your Firm as You Plan for Retirement

### CPAs retiring from a Public Practice

The time has come to retire. How do you prepare the firm for your departure?

#### 5 year:

- Avoid procrastination!
- Let your partners & upper staff know of your intent to retire – you're going to need their help.
- Make sure your books are in order – track business spending and income

#### 3 year:

- Design your client-transition plan
- Review your employee policy manual, policies and procedures

#### 1 year:

- Develop a retirement withdrawal strategy
- Cease taking on any new clients – they should go to your successor(s)
- Start talking to clients about your retirement
- Finalize your plan to transfer clients
- Announce your retirement to the entire firm
- Update successors on collections and other difficult issues
- Start working less

#### 6 months:

- Send letters to clients letting them know you are retiring and their options
- Check on deadlines including extensions and returns to help with a smooth transition.
- Non-compete agreements in place, if needed

#### Last week:

- Contact the State Accountancy Board to change or terminate the firm's name
- Cancel all firm credit cards in your name
- Set up automated email for office emails to be forwarded to successors, etc

**Now: Enjoy your Retirement**

# Retirement on the Road Ahead

You've had a great career. How do you ensure your retirement is a success?

## 5 year:

- Avoid procrastination!
- Review your personal finances
- Start reading retirement articles
- Run retirement cost trackers

## 3 year:

- Make a plan to reduce or eliminate debt
- Evaluate post-retirement insurance options
- Track your spending and identify expenses to reduce or eliminate
- Understand your Social Security options
- Set up a long-term budget for retirement
- Consider devoting a vacation as a 10-day (or longer) trial retirement

## 1 year:

- Re-evaluate post-retirement insurance options
- Determine Social Security claiming strategy
- Contact Social Security Administration to start the process

## 6 months:

- Finalize insurance plans

## Last week:

- Contact your State Board about your CPA license – whether you plan to keep it on active status, convert to retired (inactive) status or discontinue it entirely
- Contact your State Society and update your membership as needed
- Set up a new email address and let your firm know it in case they need to contact you
- Make sure your new health insurance is in place

**Now: Enjoy your Retirement**

If you have any additional information that you think this document should include, please let us know.



PO Box 138  
Helena MT 59624-0138  
406-442-7301  
mscpa@mscpa.org