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Founder Continuity Checklist

Could the company operate on Monday morning without you?

PREPARED FOR

California business owners and their families

A diagnostic guide to identify decisions that should be resolved before illness, conflict, or an ownership transition tests the plan.

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What this checklist is designed to reveal

A trust and a power of attorney may be important, but they do not automatically keep payroll moving, authorize a bank signer, preserve licenses, transfer voting power, or tell employees who is in charge. Founder continuity requires the estate plan, governing documents, contracts, insurance, financial controls, and operating procedures to work together.

Use this guide as a readiness screen. A No or Unsure answer identifies an issue to investigate; it does not establish that a particular legal solution is required.

How to use it

Complete the checklist without guessing. Mark Unsure when the answer depends on a document you have not reviewed. Then select the five gaps that would cause the greatest financial or operational disruption during the first 30 days.

Readiness scale

Status	Meaning
Ready	Authority, documents, access, and a named person are confirmed.
Partial	A document exists, but implementation or access remains uncertain.
Exposed	No reliable person, authority, process, or funding source is in place.

1 Ownership and governance

Readiness question	Yes	No	Unsure
Current ownership percentages and voting rights are documented and match actual records.	[ ]	[ ]	[ ]
The operating agreement, bylaws, shareholder agreement, or partnership agreement addresses incapacity and death.	[ ]	[ ]	[ ]
A successor can exercise voting or management authority without an avoidable court proceeding.	[ ]	[ ]	[ ]
Transfer restrictions and consent requirements have been reviewed against the estate plan.	[ ]	[ ]	[ ]
The trust or estate plan is coordinated with the entity's governing documents.	[ ]	[ ]	[ ]
Buy-sell obligations, valuation provisions, and funding arrangements are current.	[ ]	[ ]	[ ]
Key licenses, professional ownership restrictions, and regulatory approvals have been mapped.	[ ]	[ ]	[ ]

2 Banking payroll and financial control

Readiness question	Yes	No	Unsure
At least one appropriate backup signer is accepted by the financial institution.	[ ]	[ ]	[ ]
The successor knows how to access payroll, accounts payable, tax deposits, and merchant processing.	[ ]	[ ]	[ ]
Cash reserves or credit are available for at least one operating cycle.	[ ]	[ ]	[ ]
Personal guarantees on leases, loans, credit cards, and vendor accounts have been inventoried.	[ ]	[ ]	[ ]
Bookkeeping, tax, and banking contacts are recorded in a secure location.	[ ]	[ ]	[ ]
No essential payment depends solely on the founder's phone, device, or personal credentials.	[ ]	[ ]	[ ]

3 People contracts and operations

Readiness question	Yes	No	Unsure
A named interim leader has defined authority and understands the role.	[ ]	[ ]	[ ]
Employees know who communicates a leadership transition and what information may be shared.	[ ]	[ ]	[ ]
Customer, vendor, lease, loan, and franchise contracts have been reviewed for change-of-control provisions.	[ ]	[ ]	[ ]
Critical relationships are not known only to the founder.	[ ]	[ ]	[ ]
Intellectual property, domains, software, and data access are owned or controlled by the business.	[ ]	[ ]	[ ]
A secure continuity file contains key contacts, contracts, account locations, and immediate instructions.	[ ]	[ ]	[ ]
The plan distinguishes temporary incapacity from permanent succession or a sale.	[ ]	[ ]	[ ]

4 Family estate and risk coordination

Readiness question	Yes	No	Unsure
The family understands whether it will inherit control, economic value, or both.	[ ]	[ ]	[ ]
The estate has enough liquidity to avoid a forced sale solely to meet immediate obligations.	[ ]	[ ]	[ ]
Life, disability, key-person, and liability insurance have been reviewed for ownership and beneficiary alignment.	[ ]	[ ]	[ ]
The plan addresses a spouse or child who does not work in the business.	[ ]	[ ]	[ ]
Fiduciaries and business decision-makers can work together without conflicting authority.	[ ]	[ ]	[ ]
The plan has been tested against divorce, creditor, tax, and family-conflict scenarios.	[ ]	[ ]	[ ]

The first 72 hours

A continuity plan should answer these operational questions before a crisis occurs.

First 72-hour question	Yes	No	Unsure
Who confirms the founder cannot act, and what proof is required?	[ ]	[ ]	[ ]
Who speaks with employees, customers, lenders, and family members?	[ ]	[ ]	[ ]
Who can access cash and approve payroll immediately?	[ ]	[ ]	[ ]
Where are original legal documents and current entity records stored?	[ ]	[ ]	[ ]
Which contracts, deadlines, renewals, or regulatory obligations cannot wait?	[ ]	[ ]	[ ]
Who has lawful access to essential devices, systems, and records?	[ ]	[ ]	[ ]
What decisions require legal, tax, insurance, or valuation advice before action?	[ ]	[ ]	[ ]

Your five highest-priority gaps

Priority	Decision or gap	Owner	Target date
1			
2			
3			
4			
5			

What to bring to a professional review

Bring the most recent versions of the documents below. Do not send confidential business or family information through social-media messages.

Document or information	Yes	No	Unsure
Trust, wills, powers of attorney, and relevant assignments	[ ]	[ ]	[ ]
Operating agreement, bylaws, shareholder or partnership agreements	[ ]	[ ]	[ ]
Current ownership schedule and entity chart	[ ]	[ ]	[ ]
Buy-sell agreement and latest valuation method	[ ]	[ ]	[ ]
Major loans, leases, guarantees, and change-of-control contracts	[ ]	[ ]	[ ]
Insurance summary and beneficiary designations	[ ]	[ ]	[ ]
List of key advisers, financial institutions, and critical personnel	[ ]	[ ]	[ ]

Request a Situation Readiness Briefing

A Situation Readiness Briefing is designed to map the legal and operational exposures before recommendations or implementation. Begin at www.jamesburnslaw.com/srb.

This guide is educational and does not create an attorney-client relationship. It is not a substitute for advice based on your documents, ownership structure, contracts, tax position, and current circumstances.