

Supporting Financial Caregivers in Your Community

November 14, 2024
3:00 – 4:00 ET

Housekeeping Announcements

- Webinar is being recorded
- Slides and recording will be emailed
- Use the chat feature to submit questions
- We'll get to questions at the end!

Speakers

Moderator:

- Sam Kunjukunju, Vice President, Consumer Education, ABA Foundation

Speakers:

- Kate Kramer, Policy Analyst, Office for Older Americans, Consumer Financial Protection Bureau
- Lisa Schifferle, Senior Policy Analyst, Office for Older Americans, Consumer Financial Protection Bureau

Agenda



CFPB NATIONAL AGE-FRIENDLY
AND RELATIONSHIP BANKING
SURVEY



CFPB AND ABA FOUNDATION
RESOURCES



QUESTIONS AND
ANSWERS

Financial caregiving information and resources for bankers

November 14, 2024 | Office for Older Americans



Disclaimer

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This document was used in support of a live discussion. As such, it does not necessarily express the entirety of that discussion nor the relative emphasis of topics therein.

CFPB's Office for Older Americans

CFPB's Office for Older Americans works to:

- Help older consumers make sound financial decisions as they age
- Identify and address emerging consumer protection risks
- Help older adults recognize warning signs of unfair, deceptive, or abusive practices and protect themselves from such practices
- Coordinate consumer protection efforts on behalf of older adults with other federal agencies and state regulators to promote consistent, effective, and efficient enforcement

Learn more at consumerfinance.gov/olderamericans

Financial caregiving is challenging

- Kristin in Virginia: “Even though I’m a financially savvy individual, I had no idea where to get help....”
- Hector in Florida: “When you have to take care of someone else’s finances, you feel more responsible for their affairs than you do for your own. It’s overwhelming.”

Data from CFPB's 2024 National Age-friendly Banking Survey

CFPB's 2024 National Age-Friendly Banking Survey

- Collected information from U.S. adults ages 18 and older with a U.S. bank or credit union account
- Fielded Jan. 9, 2024 to Feb. 9, 2024
- Administered online or by phone, in English or Spanish
- 2,700 respondents from NORC's AmeriSpeak® Panel
- Oversamples of adults ages 60 and older

Oversamples of older adult groups

- Older adults ages 75 years and older
- Older adults of color (including Hispanic individuals)
- Older adults with annual income below \$25,000
- Older adults living in rural location
- Older adults who are credit union/small community bank/minority depository institution customers

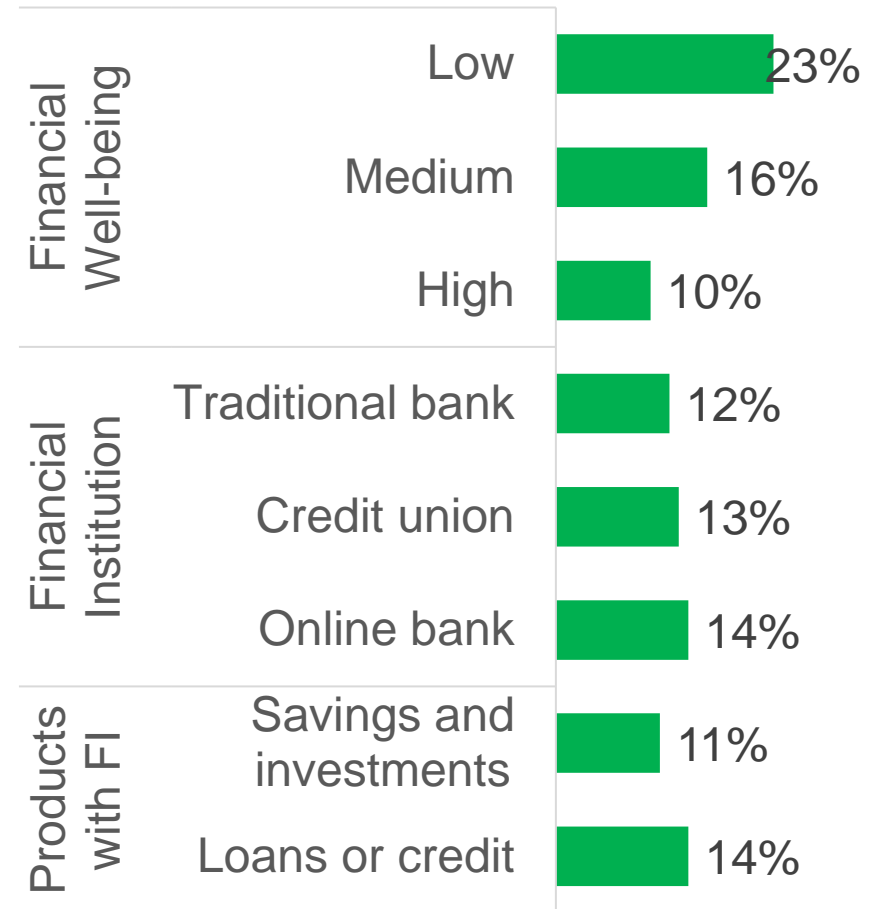
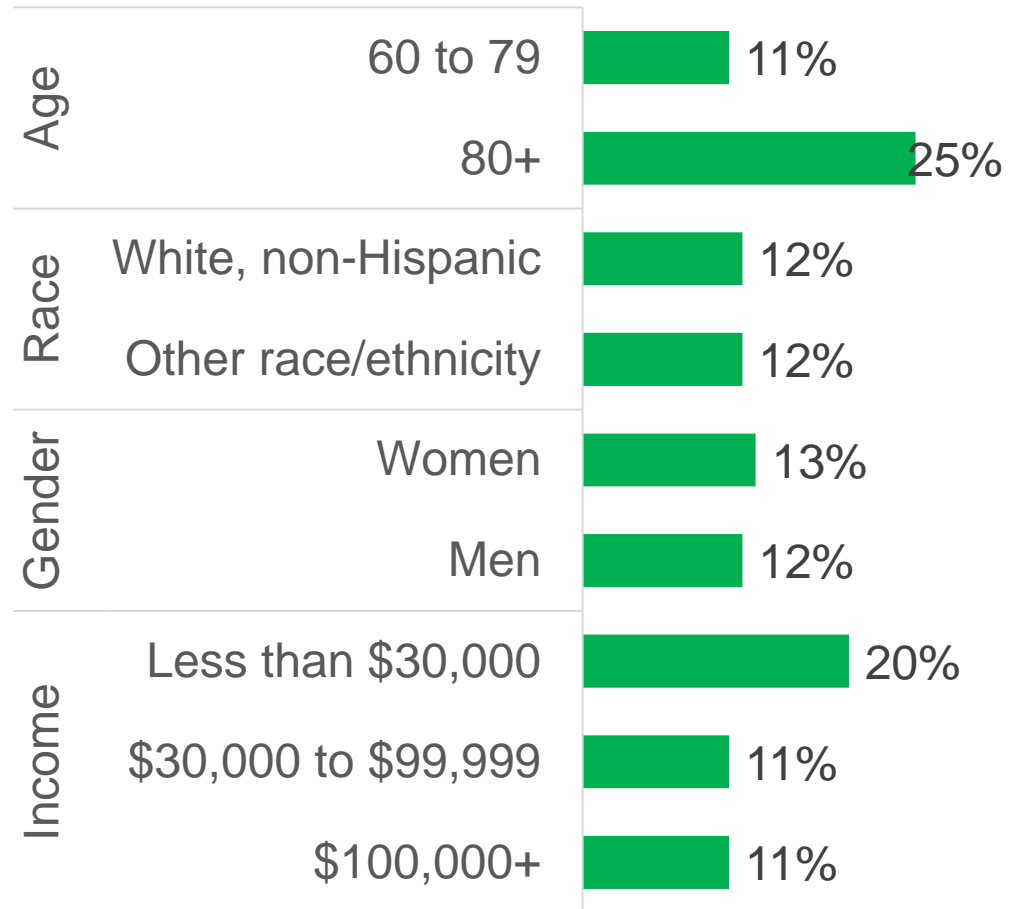
Survey goals

- Fill a gap in comprehensive data on age-friendly banking
- Build nuanced understanding of consumers' banking relationships throughout the lifespan
- Inform CFPB's educational, policy, and regulatory work
- Improve financial institutions' initiatives and resources focused on financial inclusion of older adults
- Empower other government agencies, nonprofits, and researchers to conduct analysis, enhance consumer protections, and expand age-friendly banking nationwide

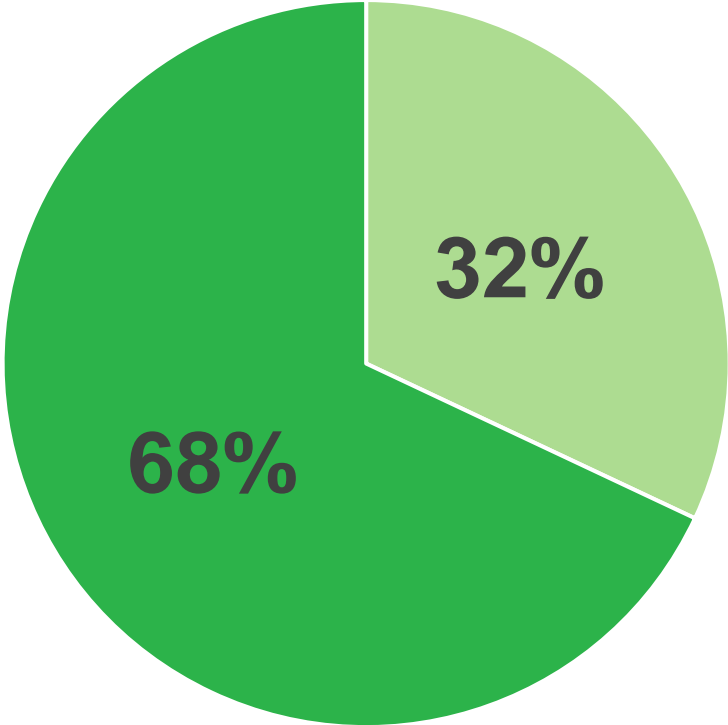
Some older adults need help with financial tasks

- One in eight (12%) older adults reported that they need help conducting financial tasks, such as paying bills, communicating with their bank or credit union, or reviewing their monthly statements.
- Note: for this presentation, “older adults” are defined as individuals ages 60 and over.

Characteristics of older adults who need help with financial tasks



Older account holders with cognitive disabilities



■ Not receiving help ■ Receiving help

Banking experiences of older adults who need help with financial tasks

- 27% of older adults who stated they need help with banking tasks have experienced fraud involving their primary account in the past year, compared to 23% of those who said they do not need help.
- 24% of older adults who stated they need help with banking tasks have incurred at least one overdraft fee, compared to 18% of those who said they do not need help.

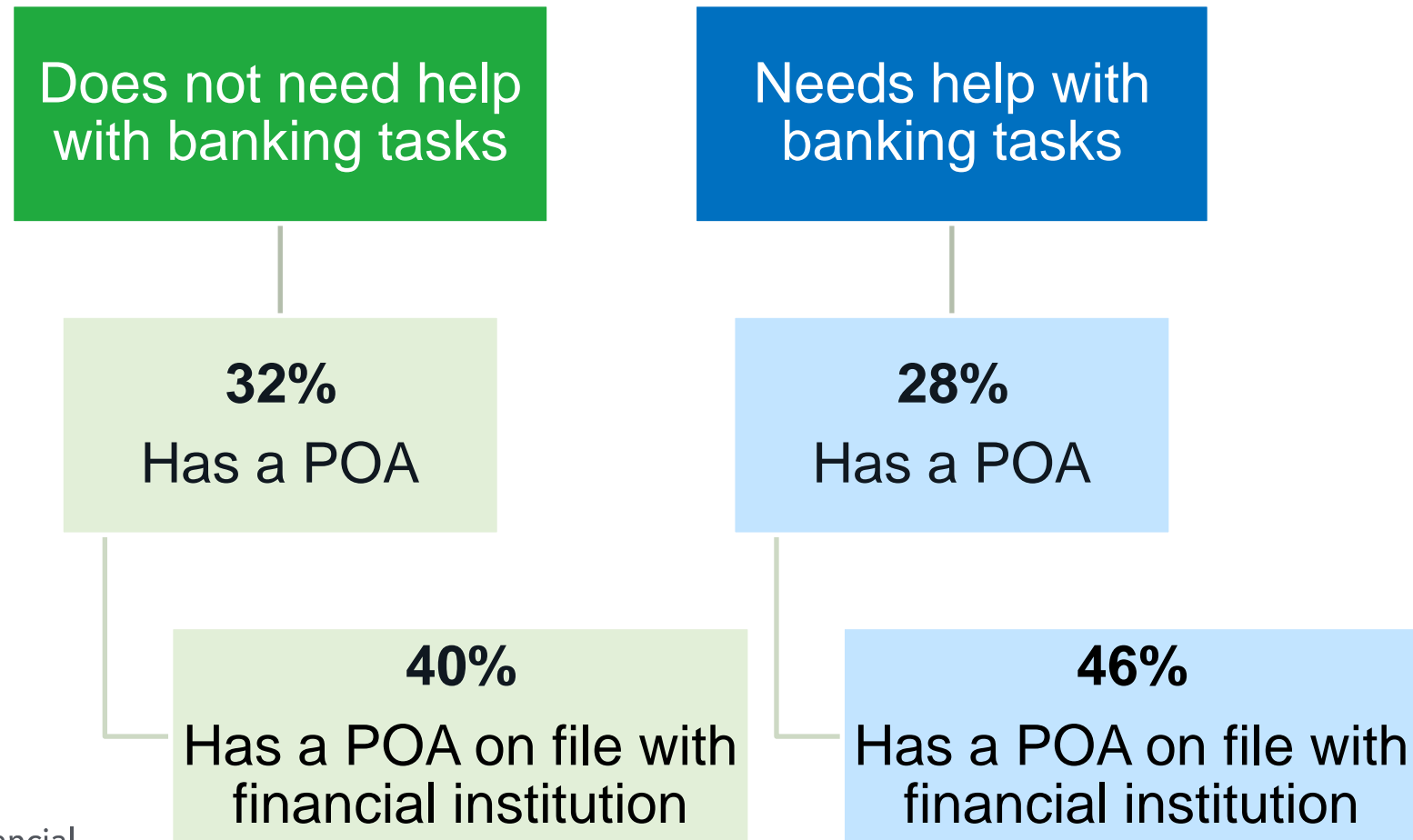
Unique needs of older adults who need help with financial tasks

- 78% of older adults who stated they need help with banking tasks agreed with the statement that their bank “provides tools and services that make them easy to manage their money,” compared to 83% of those who do not need help.

Banking features used by older account holders who need help with financial tasks

Feature	Needs help with banking tasks	Does not need help
Automatic alerts	15%	10%
View-only access	10%	6%
Convenience account	15%	5%

Older adults' use of powers of attorney (POA), by need for help with financial tasks



Warning signs of financial exploitation by financial caregivers

- Some money or property is missing
- Sudden changes in spending or savings
- Customer appears afraid of a relative, caregiver, or friend
- A relative, caregiver, friend, or someone else keeps customer isolated, does not let customer speak for themselves, or seems to be controlling customer's decisions

CFPB Resources

Considering a financial caregiver

MANAGING SOMEONE ELSE'S MONEY

Considering a financial caregiver? Know your options


Is a loved one having trouble managing their money because of health problems or memory issues? Or are you planning ahead in case you need help in the future?

Knowing your options will help you choose what works best for your situation. An informal caregiver helps on an as-needed basis. If you need more than occasional help, it might be time to name a formal caregiver.

TYPES OF INFORMAL FINANCIAL CAREGIVERS

Consider a....	What is this?	How does this work?
Conversation partner	This allows you to give a trusted relative, friend, or professional an overview of your finances (even if you don't want to share all the details).	Ask your broker or banker to send a copy of your statements to your daughter or accountant. Ask a trusted friend or relative to join when you visit your banker or financial adviser.
Trusted contact person	You can add a "trusted contact person" to your brokerage accounts. Some banks may offer this too. It allows your financial institution to contact the trusted person in certain circumstances, like if they believe you're getting scammed.	Trusted contacts don't have access to your money—they get notified if the financial institution sees signs of financial exploitation.
Convenience account	A "convenience account" or "agency account" lets you name someone to help you deposit or withdraw money and write checks. A convenience account is not the same as a joint account, where money is jointly owned and the joint account holder automatically gets the money when you die.	A convenience account does not change the ownership of the money in the account or give your helper the right to keep the money when you die. The money belongs only to you.

Next step: Speak to your broker or banker to see what informal caregiving options are available. Take this document with you.

 Consumer Financial Protection Bureau Learn more at consumerfinance.gov

- Informal caregivers
- Formal caregivers
- Choosing a caregiver

Informal caregivers

- Conversation partner
- Trusted contact person
- Convenience account

Conversation partner

- Allows you to give a trusted relative, friend or professional an overview of your finances – even if you don't want to share all the details
- Examples
 - Ask your trusted friend or relative to join you when you visit your banker or financial advisor
 - Ask your banker or broker to send a copy of your statements to your adult child or accountant

Trusted contact person

- Consumers can add a “trusted contact person” to brokerage accounts
- Some banks may offer this too
- It allows the financial institution to contact the trusted person in certain circumstances, such as if bank staff believes the account holder is being scammed
- Trusted contacts don't have access to your money

Choosing a trusted contact person

- Emerging practice among banks and credit unions
- Account holders can designate a trusted contact person who financial institution staff can contact for help in specific situations
- Resource for financial institutions: to download, visit cfpb.gov/order and type "Trusted Contact" in the search field

Choosing a trusted contact person: consumer guide

- Guide for consumers
- To download or order free print copies, visit cfpb.gov/order and type "Trusted Contact" in the search field

Choosing a trusted contact person can help you protect your money

Banks and credit unions sometimes become concerned that an account holder is experiencing fraud, a health crisis, or another emergency that affects their financial affairs.

In one emerging practice, banks and credit unions may allow you to choose one or more trusted contacts, like an adult child or close friend, who your bank or credit union can reach out to for extra help in emergency situations. You can add a trusted contact person to your brokerage accounts, too. This is a way that your financial professionals can help protect your financial well-being.



union. Lara provided her formal consent for the credit union to contact her daughter if the credit union has trouble reaching Lara or believes she is experiencing financial exploitation.

Convenience account

- A “convenience account” or “agency account” lets you name someone to help you deposit or withdraw money and write checks
- Different from a joint account
- A convenience account does not change ownership of the money in the account or give your helper a right to the money when you die
- The money belongs only to you

Formal caregivers

- Power of attorney
- Guardian or conservator
- Trustee
- Government fiduciary

Choosing a financial caregiver

- Do I trust this person?
- Do I feel comfortable sharing my wishes with them? Will they carry out my wishes the way I want them to?
- Are they willing and able to take on this responsibility?
- Will they make decisions in my best interest?
- Will they manage my money and property carefully?
- Will they be able to keep my money separate from their own?
- Will they keep good records?

Managing Someone Else's Money guides



- Help for financial caregivers handling the finances for a family member or another who is unable to do so
- Guides for four common types of financial caregivers:
 - Agents under a Power of Attorney
 - Guardians and conservators
 - Trustees
 - Social Security and Department of Veterans Affairs (VA) representatives

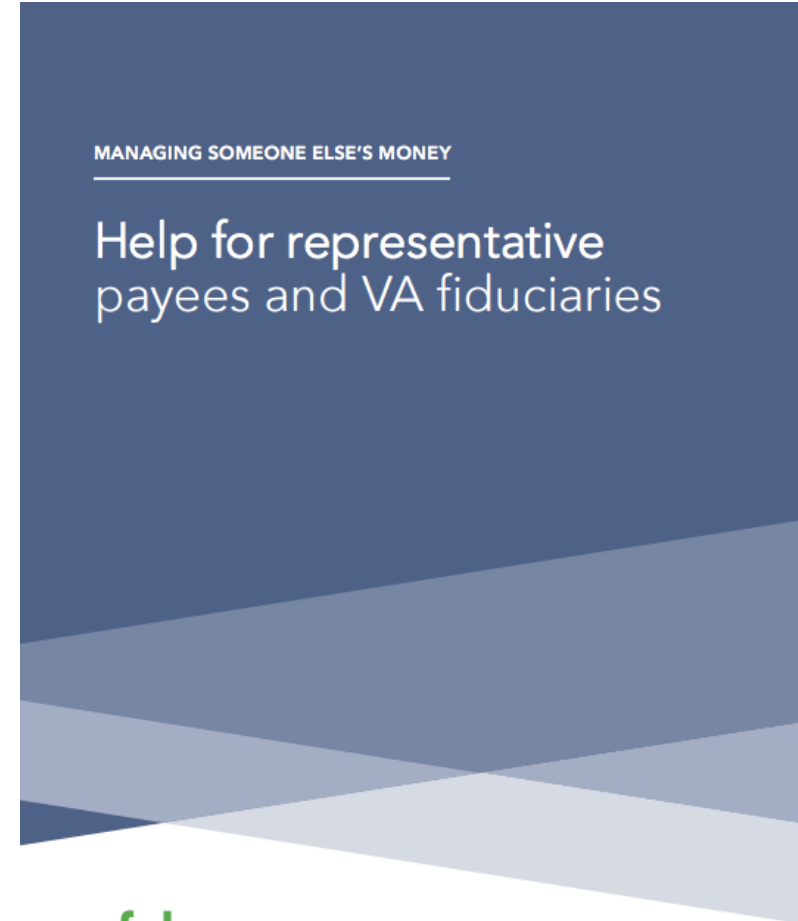
Powers of attorney

- Legal document giving a financial caregiver authority to make decisions about money/property
 - “Roberto” names you Agent under a Power of Attorney.
 - You can make decisions if illness or injury leaves Roberto unable to make financial decisions
- Health care Power of Attorney is different



Social Security representative payees and VA fiduciaries

- Government agencies may appoint someone to manage Roberto's benefits if he needs help
 - Social Security Admin. - representative payee
 - Department of Veterans Affairs - VA fiduciary
- Representative payees and VA fiduciaries only manage Roberto's benefits - not financial affairs, other property, or medical matters



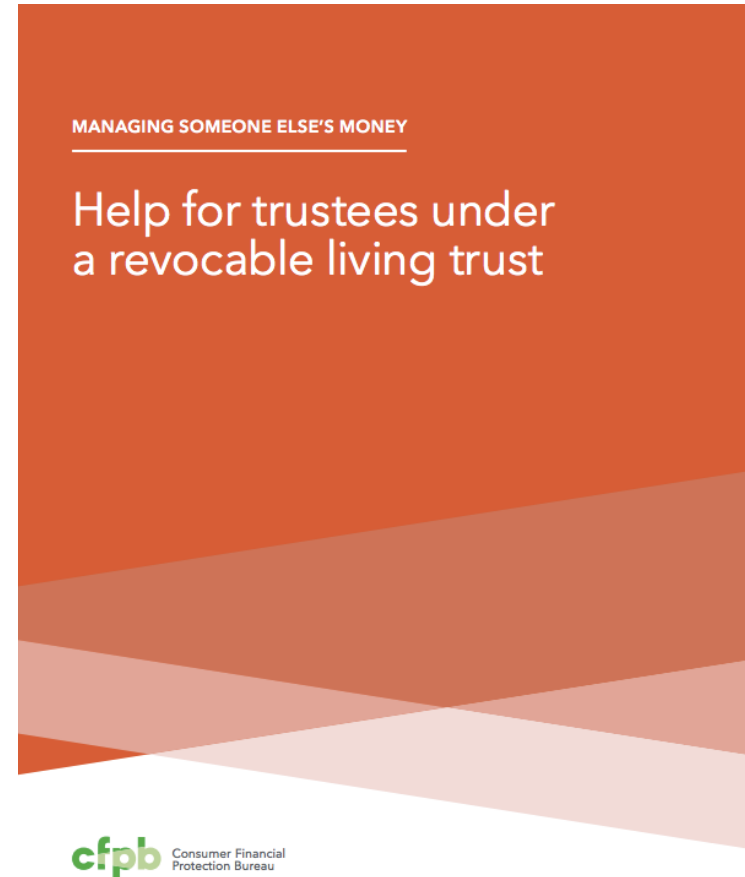
Guardians and conservators

- A court names someone to manage Roberto's money and property if the court finds that he can't manage it alone
- Roberto might also have a *guardian of the person*, if he can't make his own health care or other personal decisions
- Could be same or different person
- Different states, different terms - e.g. conservator, guardian of estate



Trustees

- Trusts differ - we're talking about revocable living trusts
- Roberto signs a legal document called a living trust, making you his backup trustee in case he becomes incapacitated, and transfers ownership of money and property to the trust
- Trustee can pay bills or make other financial and property decisions if Roberto can no longer manage his money or property
- Beneficiaries receive money or property from the trust



Where to find Managing Someone Else's Money

Bulk order (free!) - [Pueblo.gpo.gov/CFPBPubs](https://www.pueblo.gpo.gov/CFPBPubs)

Download - [consumerfinance.gov/msem](https://www.consumerfinance.gov/msem)

For questions about the guides - OlderAmericans@cfpb.gov



Consumer Financial
Protection Bureau

Planning for diminished capacity and illness

- CFPB and SEC consumer advisory
- Planning ahead may help you stay in control of your finances
- Powers of attorney and trusts are options that can help you plan for the future

CONSUMER ADVISORY AND INVESTOR BULLETIN | JUNE 2015

Planning for diminished capacity and illness

“Diminished financial capacity” is a term used to describe a decline in a person’s ability to manage money and financial assets to serve his or her best interests, including the inability to understand the consequences of investment decisions.

While the inability to manage one’s money is clearly a problem in itself, when people of any age lose the capability to manage their finances, they may also become more vulnerable to investment fraud and other forms of financial abuse.

Preparing for your own financial future: Hope for the best, but plan for the worst

Losing the ability to manage your finances may be something you’d rather not think about. We often think about our financial capabilities, like our ability to drive, as an important measure of our independence. But planning ahead may help you

stay in control of your finances, even if diminished financial capacity becomes a serious problem. Taking the steps listed below now may help avoid or minimize problems for you and your family.

Organize your important documents

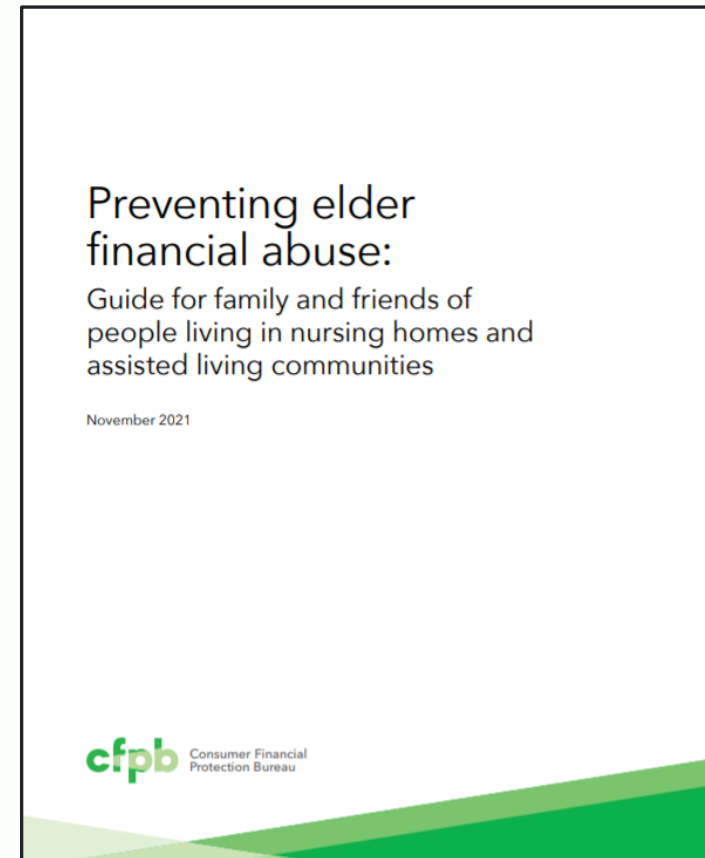
Organize and store important documents in a safe, easily accessible location. That way, they are readily available in an emergency. Give copies to trusted loved ones or let them know where to find the documents. Typically, the following documents will be most relevant to your finances:

- **Bank and brokerage statements and account information.** Make a list of your accounts with account numbers. Keep a separate list of online bank and brokerage passwords and PINs and keep the lists in a safe place. In addition, make a list of the locations of your safe-deposit boxes, including where the keys to the safe-deposit boxes are located. Also, keep your recent bank and brokerage statements available, as well as information about how to get those statements online if you access them electronically.
- **Mortgage and credit information.** Make a list of your debts and regular payments, with account numbers and names of the financial institutions that issued the loans or credit cards.

The SEC’s Office of Investor Education and Advocacy and the CFPB’s Office for Older Americans are issuing this bulletin to help investors and consumers understand the potential impact of diminished capacity on their ability to make financial decisions and to encourage investors and consumers to plan for possible diminished financial capacity well before it happens.

Preventing elder financial abuse of loved ones living in long-term care communities

- Download for free
- Order in bulk for free
- Share with customers who live in nursing homes or assisted living, or who have loved ones in these communities



Contact Us

Consumer Financial Protection Bureau
Office for Older Americans

Website: consumerfinance.gov/olderamericans

Email: olderamericans@cfpb.gov

ABA Foundation Resources



SAFE BANKING

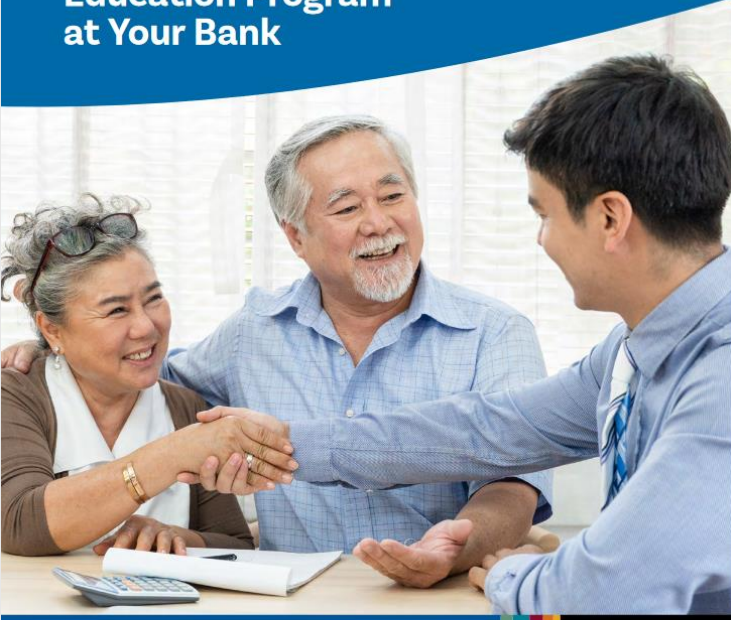
FOR SENIORS®


Protecting Older Americans Toolbox

PROTECTING THE FINANCIAL SECURITY OF OLDER AMERICANS TOOLBOX

RESOURCE 1

Starting a Senior Financial Education Program at Your Bank






PROTECTING THE FINANCIAL SECURITY OF OLDER AMERICANS TOOLBOX

RESOURCE 2

Planning Senior Financial Education Program Events

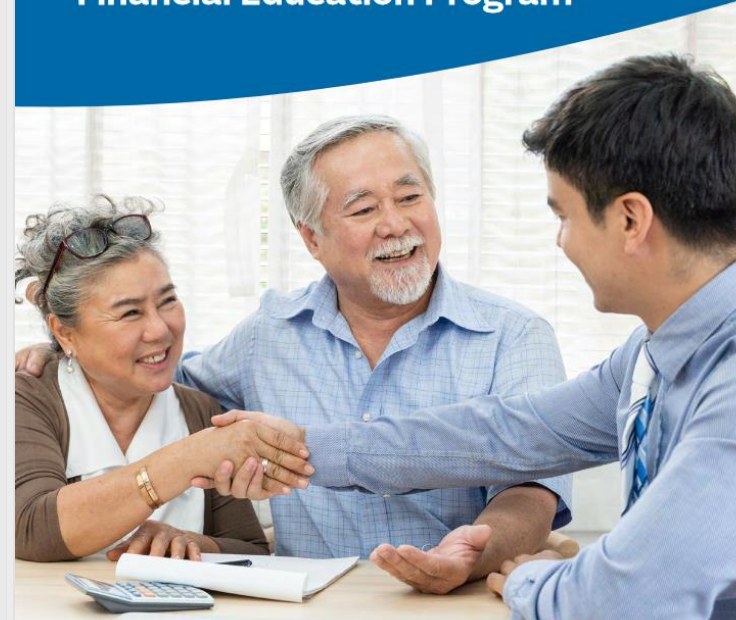





PROTECTING THE FINANCIAL SECURITY OF OLDER AMERICANS TOOLBOX

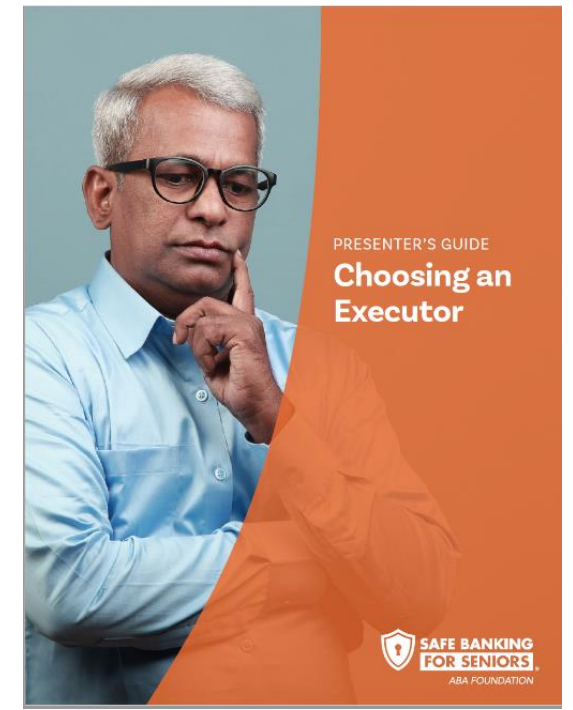
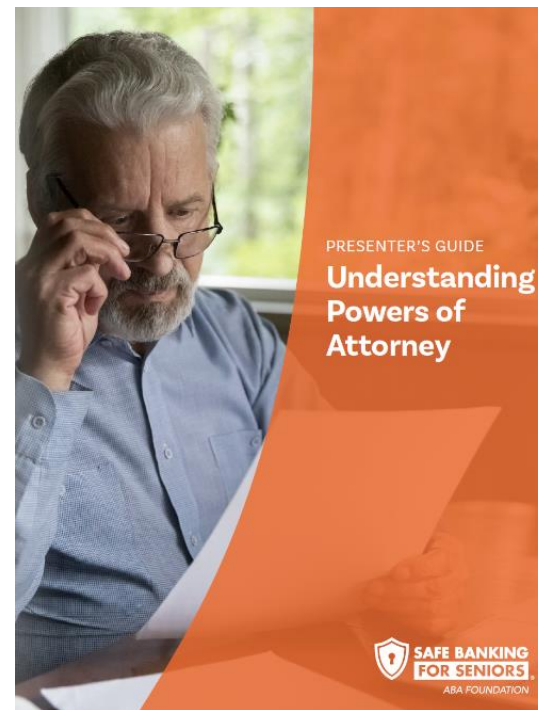
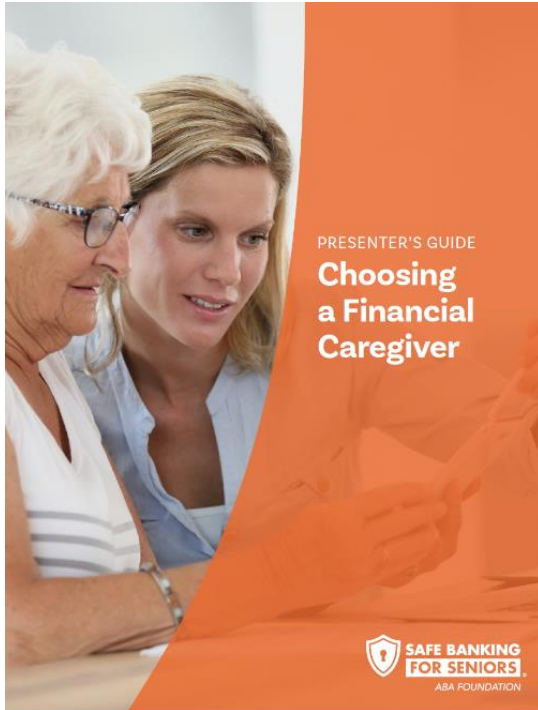
RESOURCE 3

Communicating Your Senior Financial Education Program





Financial Caregiving Resources



Banker Tailored Materials



Facilitator's Guide



Presentation Slides



Presentation Activities



Handouts

Social Shares - General Campaign

Social Shares - Safe Banking for Seniors Presentations

Social Shares - Elder Financial Exploitation

Social Shares - Financial Caregiving

Social Shares - Scams

Printables

Digital Resources

Media and Marketing Resources

Presentation and Partnership Resources

Communications Resources for State Bankers Associations

FACEBOOK POSTS



FB: SBFS - Tips for Financial Caregivers

It's important for caregivers to keep careful records. When acting as a financial agent, proper documentation is not only encouraged, but required. Get more tips for financial caregivers from the '@American Bankers Association' Foundation:
<https://aba.social/3SeDjKk>

#SafeBankingForSeniors
 #NationalFamilyCaregiversMonth



FB: SBFS - Tips to Help Choose the Right Caregiver

Delegating someone trusted to make financial decisions is crucial to choosing the right caregiver for an older adult, but it isn't always foolproof. Get more tips that will help you choose the right caregiver and prevent elder financial abuse: <https://aba.social/479XEER>

#SafeBankingForSeniors
 #NationalFamilyCaregiversMonth



FB: SBFS - PoA Overview

Granting a power of attorney is a major commitment; it enables a person you trust to make decisions on your behalf. What kind of power of attorney should you choose? Find out in this tip sheet from the '@American Bankers Association' Foundation
 #SafeBankingForSeniors program:
<https://aba.social/3Mnh4vk>

#NationalFamilyCaregiversMonth

**WHAT IS A
FINANCIAL
POWER OF
ATTORNEY
(POA)?**

**SAFE BANKING
FOR SENIORS**
ABA FOUNDATION

**HOW A
FINANCIAL
CAREGIVER
CAN HELP YOU**

**SAFE BANKING
FOR SENIORS**
ABA FOUNDATION

**BECOMING
A FINANCIAL
CAREGIVER**

**SAFE BANKING
FOR SENIORS**
ABA FOUNDATION

Financial Caregiving: Planning for Stages of Cognitive Decline



The guide discusses:

- legal authority available through a power of attorney,
- recognizing impairments in cognition,
- identifying national & local resources to support caregivers, and
- assembling important documents to help fulfil financial caregiving responsibilities.



The Financial Caregiver Journey

To be a financial caregiver, you'll need to recognize and respond to the needs of someone who may have declining cognitive skills. Cognitive ability tends to decline over time, in phases often described as Early, Middle and Late. Learn the stages with the following tips and signs:



Getting Started

Obtain a **durable power of attorney (POA)** to act on behalf of the person whose finances you'll be handling.



Working with a Bank Share the POA with your bank. In some cases, the bank may require their own POA in addition to the one you already have in place, so that you can fulfill all the tasks you'll be taking on as a financial caregiver.

Early Stage

Mild symptoms of lessening mental ability, including:

- ✓ forgetfulness about financial tasks like paying bills or filing taxes
- ✓ difficulty with calculations like making change or leaving a tip
- ✓ making irrational spending decisions, such as inappropriately generous gifts

- Get all the financial information and account access you'll need to do your job: financial records for day-to-day banking, investments, sources of income like Social Security, retirement accounts, real estate, insurance policies, recurring bills, and short- and long-term debts
- Plan to take on bill paying and monitoring accounts for unusual activity. Set up a bank auto-pay option for monthly payments that stay the same.
- Remember to confirm that the account balance from which the bills are being paid is sufficient. You will also need to anticipate additional costs that are likely to arise and compare them with the care receiver's regular income.
- Always communicate your intentions to act in the care receiver's best interest; preserving their dignity and a sense of self-worth is key.



Working with a Bank Banks offer specific products and services to protect elders. Fraud protection, read-only access to accounts and withdrawal alerts can all help make your job easier.

Middle Stage

Moderate symptoms of reduced cognitive ability, including:

- ✓ increasing confusion
- ✓ memory loss
- ✓ possible inability to fully care for oneself or manage daily tasks

- You'll now need to take fuller control of bill payments and other financial tasks. Eliminate unnecessary and/or unused expenses, such as a magazine subscriptions or season tickets to the theater, and plan for additional cost reductions to help cover the potentially increasing costs of care.
- Professional advice from a tax advisor or an investment advisor can help address expenses. If the care receiver is a qualifying veteran, an attorney can help you apply for veterans assistance that can provide support for long-term care needs.
- It can be challenging to convince the care receiver that it's time for you to take more responsibility away from them. To maintain confidence and goodwill, you may want to allow them to have some say or control over certain expenses, particularly those that contribute to quality of life.



Working with a Bank Banks may ask their older clients to identify a **trusted contact** to serve as a point of contact for fraud or other communications. A trusted contact has no legal authority to act on the client's behalf, but can serve as an intermediary. You may be named as the trusted contact yourself.

Late Stage

Severe symptoms of reduced mental and physical ability, including:

- ✓ the inability to communicate clearly
- ✓ increasing severity of Early and Middle stage symptoms

- You are likely to assume complete control of the care receiver's finances through a POA. The main concern will be ensuring there are adequate funds to provide the level of care planned for this stage.
- Spend additional time monitoring institutional and medical care bills to ensure that the care receiver did in fact receive all of the services billed, as over-billing does occur. You may also need to reconcile health insurance claims and appeal decisions as necessary.
- Consider some end-of-life issues as the care receiver's condition deteriorates, including hospice care and coordinating with an estate professional or executor.
- Your chief goal at this stage is making the final months or years as comfortable as possible given the available resources.



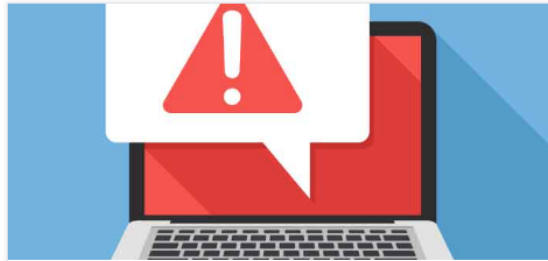
Working with a Bank Your fiduciary responsibility as a caregiver includes ensuring that there is adequate money in the bank account to pay the care receiver's bills. Ask the bank about any programs that could alert you to problems with, among other things, direct deposits and automatic bill pay.



Elder Financial Exploitation Prevention Course

Online, self-paced training for frontline bankers about detecting, preventing, and combating elder financial exploitation.

[LEARN MORE >](#)



Protect Yourself and Your Money

Tips and downloadable infographics to help people of all ages recognize scams and fraud.

[LEARN MORE >](#)

Elder Financial Exploitation Prevention Resources

Federal guidance, state laws and industry resources on protecting older consumers from financial exploitation.

[LEARN MORE >](#)



Safe Banking for Seniors Campaign

Free videos, social posts, handouts, presentations, and other tools to help bankers educate seniors and their loved ones about elder fraud and financial caregiving.

[LEARN MORE >](#)

New Free Resource

The ABA Foundation teamed up with the FBI to create a new resource for frontline staff and other bankers that explains how to spot and respond to Elder Financial Exploitation.

[DOWNLOAD FOR FREE](#)

Partnerships to Protect Seniors

A free guide to help bankers facilitate key partnerships to respond to elder abuse.

[LEARN MORE >](#)



Financial Caregiving Resources

Information to help consumers with financial caregiving needs and planning.

[LEARN MORE >](#)

[Aba.com/OlderAmericans](https://www.aba.com/OlderAmericans)

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PLEASE DON'T HESITATE TO REACH OUT!