

Managing Someone Else's Money:

Help for Financial Caregivers

CFPB FinEx Webinar – November 12, 2020



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The Bureau's Mission and Vision

MISSION

To regulate the offering and provision of consumer financial products or services under the Federal consumer financial laws and to educate and empower consumers to make better informed financial decisions.

VISION

Free, innovative, competitive, and transparent consumer finance markets where the rights of all parties are protected by the rule of law and where consumers are free to choose the products and services that best fit their individual needs.



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CFPB's Office for Older Americans

The Office for Older Americans engages in research, policy, and educational initiatives, designed to:

- help protect older consumers from financial harm
- help older consumers make sound financial decisions as they age

Learn more about us 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.”

MSEM video – www.consumerfinance.gov/msem

About the guides

The guides help you understand your role as a financial caregiver, also called a fiduciary. Each guide explains your responsibilities as a fiduciary, how to spot financial exploitation, and avoid scams. Each guide also includes a “Where to go for help” section with a list of relevant resources.

▶ Featured video

Managing Someone Else’s Money guides

If you are serving as a financial caregiver, navigating your role can be difficult. We’re here to help.



Find the right guide for you

The guides are tailored to the needs of people in four different fiduciary roles:

About us

We’re the Consumer Financial Protection Bureau (CFPB), a U.S. government agency that makes sure banks, lenders, and other financial companies treat you fairly.

[Learn how the CFPB can help you](#)

CONNECT WITH US

Subscribe for email updates on new consumer resources and guides for older adults and their families.

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CREATE GUIDES FOR YOUR STATE

Interested in creating Managing Someone Else’s Money guides for your state?



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Managing Someone Else's Money

Guides for financial caregivers



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Managing Someone Else's Money guides

MANAGING SOMEONE ELSE'S MONEY

Help for court-appointed guardians of property and conservators

MANAGING SOMEONE ELSE'S MONEY

Help for representative payees and VA fiduciaries

MANAGING SOMEONE ELSE'S MONEY

Help for trustees under a revocable living trust

MANAGING SOMEONE ELSE'S MONEY

Help for agents under a power of attorney

- 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

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What is a **fiduciary**?

Anyone named to manage money or property for someone else

- Agents under a Power of Attorney are named in a legal document
- The Social Security and Department of Veterans Affairs (VA) may name representative payees
- Guardians and conservators are named by a court
- Trustees may be named in a legal document or a court



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Duties of a fiduciary

- Act only in the person's best interest
- Manage the money and property carefully
- Keep the money and property separate
- Keep good records



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Duty 1: Act in best interest

- Avoid conflicts of interest.
- Don't give loans to yourself or others.
- Get approval before paying yourself.

Duty 2: Manage money & property carefully

- Make a list of money, property and debts.
- Protect property.
- Pay bills & taxes on time.
- Check benefits eligibility: eldercare.acl.gov or BenefitsCheckUp.org

Duty 3: Keep money & property separate

- Separate means separate.
- Avoid joint accounts.
- Know how to title property & how to sign.

Duty 4: Keep good records

- Keep a list of everything you spent money on.
- Keep receipts.
- Avoid cash.

What's a **power 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



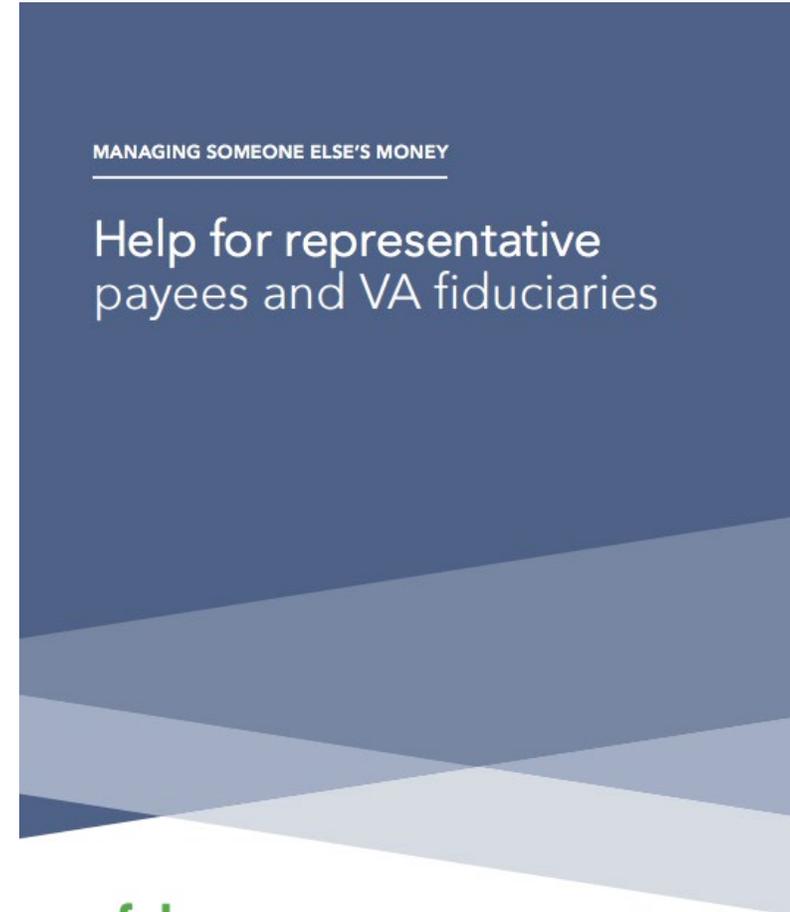
POA duties

- Read POA and do what it says.
- Understand when the POA becomes effective.
- As much as possible, involve the person in decisions.
- Keep title of property in their name.

What's a **representative payee**?

What's a **VA fiduciary**?

- 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



What money does **VA fiduciary/SSA rep payee** manage?

- You only have authority to manage the VA benefit checks.
- You have no legal authority to manage other property, financial affairs, or medical matters for Roberto.
- To control other matters, you must have legal authority from another source such as through a power of attorney, trust, or court appointment.
- Note: Don't expect others to know what a VA fiduciary does.

Duties of VA fiduciaries & SSA rep payees

- Make sure Roberto's day-to-day needs for food, clothing, and shelter are met first.
- Consider Roberto's dependents.
- Protect Roberto's VA benefits from creditors.
- Arrange for direct deposit of his VA or SSA funds.
- Pay Roberto's expenses from his funds, not yours.
- Don't sign contracts or leases on Roberto's behalf.

How to title an account if you are a VA fiduciary

Type of Account	Title
For bank accounts	(Name of beneficiary) by (Your name), fiduciary OR (Your name), fiduciary for (Name of beneficiary)
For U.S. savings bonds	(Name of beneficiary) (His SSN), under custodianship designation of the Department of Veterans Affairs

Recordkeeping for VA fiduciaries/SSA rep payees

- Make annual reports on time.
- Keep the agency informed about Roberto.
- Keep the agency informed about yourself.

What's a **guardian of property**?

- 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 her own health care or other personal decisions
- Could be same or different person
- Different states, different terms – e.g. conservator, guardian of estate

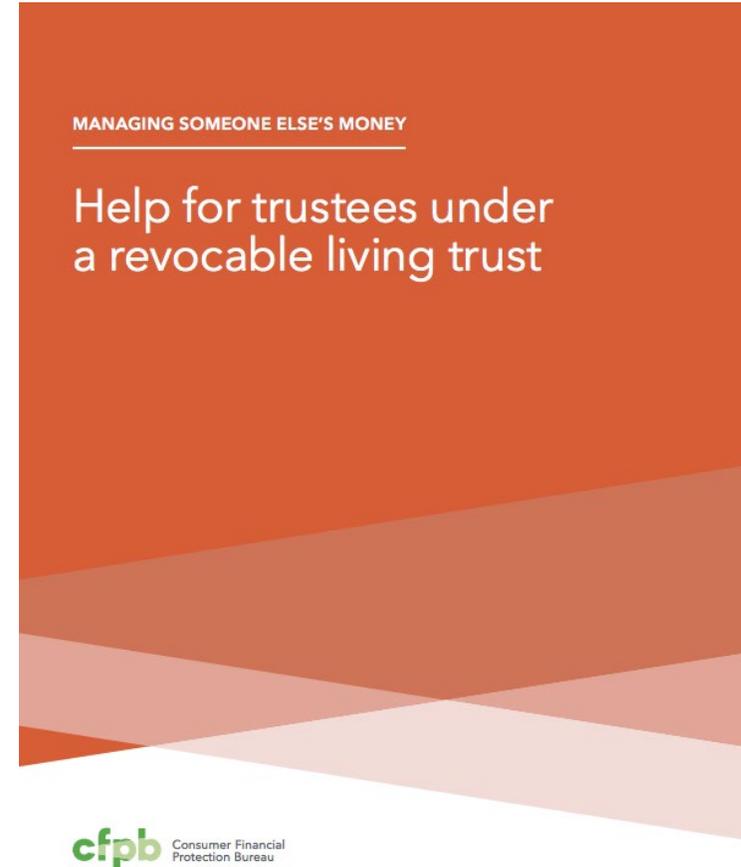


Guardian duties

- Read court order and do what it says.
 - Get court approval before selling any property (including a home).
- Court will likely require you to buy a bond.
- File an inventory with the court.
- File accountings with court annually and upon death.

What's a trustee?

- Trusts differ – we're talking about revocable living trusts
- Roberto signs a legal document called a living trust, making you his trustee, 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



Trustee duties

- Read the living trust document and do what it says.
- Understand when your duty as trustee becomes effective.
- Trustee manages only money or property placed in the trust.
- Don't pay yourself for the time you spend acting as Rose's trustee, unless the living trust or state law allows it.

State-specific guides

- We developed state-specific MSEM guides for
 - Arizona
 - Florida
 - Georgia
 - Illinois
 - Oregon
 - Virginia
- Professionals used our Tips and Templates Guide to create their own
(Alabama, Idaho, Michigan, Nebraska, and Texas)

Where to find Managing Someone Else's Money

Bulk order for FREE – [Pueblo.gpo.gov/CFPBPubs](https://www.pueblo.gpo.gov/CFPBPubs)

Download – consumerfinance.gov/msem

For questions about the guides – OlderAmericans@cfpb.gov

Preventing financial exploitation

- Warning signs of financial exploitation
- How to protect the person from scams
- Common scams
- What to do if you suspect financial abuse or exploitation

Warning signs of financial exploitation

- Some money or property is missing
- Sudden changes in Roberto's spending or savings
- Roberto says he is afraid or seems afraid of a relative, caregiver, or friend
- A relative, caregiver, friend, or someone else keeps Roberto isolated, does not let him speak for himself, or seems to be controlling his decisions



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How to protect Roberto from scams

- Help Roberto put his number on the National Do Not Call Registry.
- Don't share numbers or passwords for Roberto's accounts.
- Watch out for deals that are only “good today” and that pressure you to act quickly.
- Watch for signs that Roberto has already been scammed.

Common examples of elder financial exploitation



Grandparent/
Imposter scams



Tax and debt
collection scams



Fake charity
scams



Telemarketer,
mail offer or
salesperson scams



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More examples of elder financial exploitation



Investment fraud
and scams



Lottery and
sweepstakes scams



Theft of money or
property by family
members,
caregivers, or
in-home helpers



Exploitation by
an agent under a
POA or person in
another fiduciary
relationship



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What you can do to help

Adult Protective Services

For elder abuse, contact Adult Protective Services.

Find contact information eldercare.acl.gov or call 1-800-677-1116.



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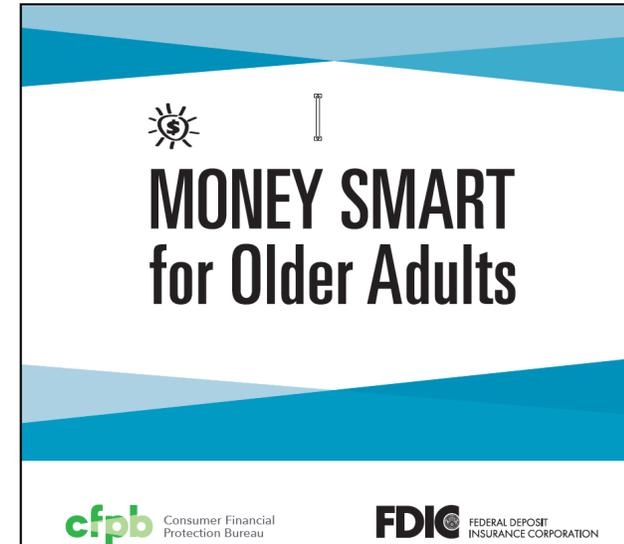
More information and resources



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Money Smart for Older Adults

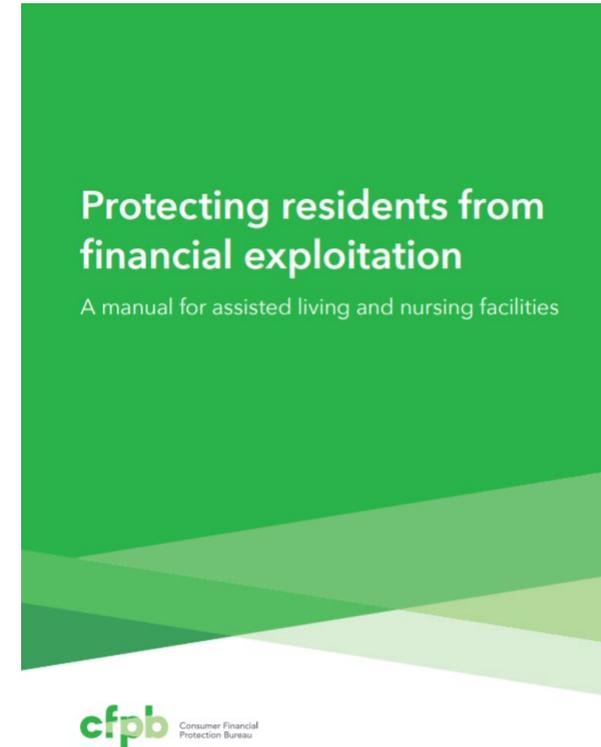
- Common issues facing seniors, including how to identify a potential scam or fraud and other forms of exploitation
- Instructor-led curriculum



- Order in bulk, free – pueblo.gpo.gov/CFPBPubs
- Available in English and Spanish

Protecting residents from financial exploitation

- This manual provides voluntary ideas to help staff of long-term care facilities prevent, recognize, and report elder financial exploitation.
- Features a detailed list of warning signs of financial abuse
- Family caregivers can learn about preventing financial exploitation of older facility residents



consumerfinance.gov/coronavirus

- Central hub on consumerfinance.gov
- Resources in English and Spanish, Chinese, Vietnamese, Korean, Tagalog
- Short videos
- Printer-friendly PDFs for Asian languages + MP3 audio files
- Check back for updates



The screenshot shows the CFPB website's coronavirus resource page. At the top, the CFPB logo and name are on the left, and a search bar and 'Submit a Complaint' button are on the right. Below the header is a navigation menu with categories: Consumer Tools, Practitioner Resources, Data & Research, Policy & Compliance, and About Us. The main content area has a light green background with the heading 'Protecting your finances during the coronavirus pandemic'. Below this heading is a paragraph stating the CFPB's commitment to providing up-to-date information and resources. To the right of the text are several icons representing different financial topics: a car, a document, a house, a graduation cap, and a dollar sign. Below the main content, there are language options: Español, 中文, Tiếng Việt, 한국어, and Tagalog. The page is organized into columns. The first column is titled 'Resources to help you make financial decisions' and lists four categories: Mortgage and housing assistance, Managing your finances, Student loans, and Avoiding scams. Each category has a brief description and a link to learn more. The second column is titled 'FEDERAL CORONAVIRUS RESOURCES' and lists three key resources: White House Coronavirus Task Force, Centers for Disease Control and Prevention, and USAGov. Each resource has a brief description and a link to visit the resource.

Fraud prevention placemats and handouts

- Free fraud prevention placemats, handouts, and activity sheets on how to avoid common scams.
- Originally designed to be used by meal delivery programs, these resources can be used by community or faith-based organizations, financial institutions, or other groups in a variety of ways.
- Check out the companion resources with tips and information to reinforce the messages.
- Available for the public to download or order in bulk.
- Available in English and Spanish.



Consumerfinance.gov/placemats

Beware of scams related to your military benefits

Scammers are targeting the aid and attendance benefit, which is an increased monthly pension for veterans or their surviving spouses who are eligible for a VA pension and need help with activities of daily living, are bedridden, are patients in a nursing home, or have certain vision limitations.

Look out for:

- Offers to file an application to get you benefits or increase your pension for a fee
- Claims to get you benefits faster for a fee
- Advice to move your money so you'll qualify for benefits



How to apply safely:

It's free to apply. Call (800) 827-1000 for information. Report scams targeting your aid and attendance benefit to the FTC at [ftc.gov/complaint](https://www.ftc.gov/complaint).



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Contact us

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