

GETTING STARTED

Preventing elder financial exploitation

The best defense against elder financial exploitation is working together to prevent it.

While it's critical to identify elder financial exploitation and get help when it occurs, it's equally important to take steps to prevent it from happening in the first place.

Preventing elder financial exploitation takes a coordinated community response that includes engaging elders, the people who provide direct services to elders, community leaders, and law enforcement responders.

Use this tool and to start engaging community members in protecting elders. The tool contains both strategies for communities to use and actions for elders and their trusted family members to take. Taking action at both levels will contribute to a safer community for elders.

What to do

- **Identify the steps you can take to prevent elder financial exploitation.** These steps may be different if you are an elder, a family member or caregiver, a community member, or a tribal leader.
- **Check the step when it's completed.**

To access a dynamic and fillable version of this tool, visit: consumerfinance.gov/practitioner-resources/your-money-your-goals/companion-guides.



Identify steps for Preventing elder financial exploitation

1. If you are an elder, identify steps you can take to protect yourself from financial exploitation.
2. If you are a family caregiver or a community member, identify actions you can take to help protect an elder or elders in your community.
3. Check the action when it has been completed.

Actions for elders and their trusted family members

There are many steps elders can take to protect themselves if they act early. The list below includes recommended actions for individual elders, family caregivers and community members who can look out for or care for them. Not every step will apply to every elder or community, but this checklist will get you started in protecting elders from financial abuse and exploitation.

Check when completed

Encourage advance planning for diminished capacity. Provide elders with resources to help them determine how they want to manage their money and property in the event they become unable to do so for themselves. Advance planning may include making a power of attorney or trust.

Help people understand powers of attorney and tailor them to the elder's needs. A power of attorney is a legal document authorizing someone to make decisions about money and property on someone else's behalf. If abused, this power can be used to steal a person's financial assets. Communities and legal professionals can help elders understand that they need to be sure to name someone they trust as their agent. It is important to communicate that powers of attorney can include built-in protections. Legal professionals can help people tailor the document to individual needs. For example, in the document, the elder can require the agent to provide an annual accounting of income and expenses to an outside party, such as an attorney or other trusted third party.

Use automatic bill paying. Routine bills can be set up on automatic bill pay from the elder's checking or savings account. Alternatives include paying by check or credit card. All of these methods have the advantage of creating a "paper trail," unlike cash. That way, if there is a problem later, the elder or family or community member who is helping them can see where the money went.

Involve several people. Major financial decisions for elders should be made only after consulting several trusted people, such as relatives, attorneys and financial professionals.

Have checks directly deposited. This reduces the opportunity for theft. However, the funds are still at risk if the abuser is a joint owner on the account.

Communicate with the bank or credit union and review statements. Banks and credit unions are often the first to see questionable financial activity and can alert the elder or a relative. Be sure to review statements from banks, credit unions, credit card providers, and other financial service providers monthly.

Check your credit reports regularly. This is one of the primary ways people discover their identity has been stolen and accounts have been fraudulently set up in their names.

Check references. Anyone hired to provide care—including relatives who are being paid—should be thoroughly screened.

Reduce isolation. It's tougher for a caregiver to commit fraud in a crowd, so the elder should keep in touch with friends and family members. If you live far away from a vulnerable relative, keep in contact with the relative's close friends, and neighbors.

Protect all documents related to identity and financial information. Keep all identification documents, important financial papers, and other information in a safe and secure place. When disposing of anything that has personal or financial information on it, shred it to prevent someone from stealing sensitive information from the trash.

Remember that if it's too good to be true, it probably is. Be aware of the red flags of cons, scams, and other kinds of fraud, such as:

- A stranger asks for a Social Security number, tribal identification card information, bank account numbers, date of birth, or other sensitive private information on the phone or in an email.
- Someone leads elders to believe that other elders or leaders are investing in the opportunity being presented.
- Someone "guarantees" wealth from an investment.
- Someone creates a sense of urgency by stating that there is a limited time to act or a limited number of opportunities.
- Someone is offering a product or service but requires a large upfront payment.
- Someone claims the elder has won a lottery, prize, sweepstakes, or a trip, but requires payment of a fee or taxes to claim the prize.

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