

# Celebrate Older Americans Month: Free resources from the CFPB

CFPB FinEx presentation – May 20, 2021



# CFPB's Office for Older Americans

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

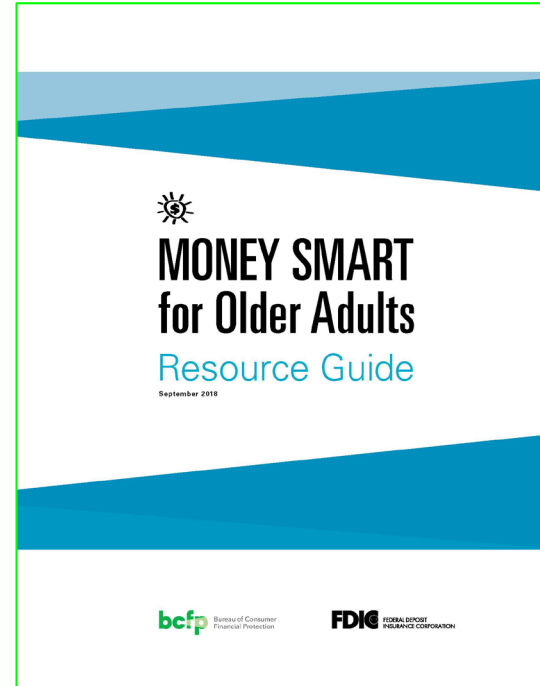
- Help protect older consumers from financial harm
- Help older consumers make sound financial decisions as they age

Learn more about us at [consumerfinance.gov/olderamericans](https://consumerfinance.gov/olderamericans)

# Money Smart for Older Adults

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- An awareness program developed in collaboration with the FDIC
- Identify scams, fraud & exploitation
- Instructor guides available for download
- Resource guide available in bulk at no charge
- Available in English and Spanish



# MSOA Program components

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- The [Instructor Guide](#) is fully scripted, enabling professionals from many disciplines to begin teaching the module right away.
- The [Resource Guide](#) is designed to support classroom instruction by providing key takeaways and can also be distributed to older persons and others on its own.
- The [PowerPoint](#) presentation supplements classroom instruction.

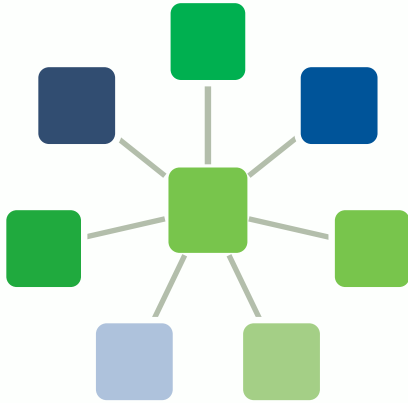
# Elder fraud prevention and response networks



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# What is an elder fraud prevention and response network?

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*A sustained, and largely voluntary, collaborative effort or partnership that works to prevent, detect, and/or respond to elder financial exploitation.*

[consumerfinance.gov/eldernetworks](https://consumerfinance.gov/eldernetworks)

# Elder fraud prevention & response networks

Consumer Education ▾

Rules & Policy ▾

Enforcement ▾

Compliance ▾

Data & Research ▾

News ▾

## Resources to build an elder fraud prevention and response network

Mobilize key stakeholders in your community to prevent, detect, and respond to elder financial abuse.

Elder financial exploitation threatens the financial security of millions of older Americans annually. In response to this crisis, hundreds of communities across the United States have created collaborative networks to protect their older residents.

[Learn more about networks](#)

### Using these resources to build a network

Learn more about elder fraud prevention and response networks and how to use the resources we've developed to help build a network in your area.



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### CONTACT INFORMATION

Connect with us to build a network

The Office of Financial Protection for Older Americans develops initiatives, tools, and resources to help protect older consumers from financial harm and help older consumers make sound financial decisions as they age. We also work with public and private stakeholders on preventing and responding to elder financial exploitation.

We can provide guidance and assistance to people or groups that are interested in establishing an elder fraud prevention and response network in their community. Contact us if you have a question, need additional information, or would like to be added to our contact list for updates and training opportunities.

#### EMAIL

[eldernetworks@cfpb.gov](mailto:eldernetworks@cfpb.gov)

# Network Development Guide

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[Consumerfinance.gov/eldernetworks](https://consumerfinance.gov/eldernetworks)



## Plan a retreat

A retreat is an effective way to rally stakeholders and community leaders together to create a collaborative network. Gather a core team of key community members to help you plan logistics and reach out to the wider community.

[See retreat planning resources](#)



## Host a retreat

How you conduct a retreat can set the tone for your network. Here are some suggestions on how to provide opportunities for collaboration and make sure everyone's voice is heard during a retreat.

[Learn how to host a retreat](#)



## Reconvene and establish your network

After holding a retreat, it's important to bring community stakeholders back together to determine next steps toward addressing priorities identified at the retreat.

[Establish your network](#)



## Expand network capabilities

After your network establishes priorities, consider leveraging working groups to reach goals, engage the community, and grow the influence of the network.

[Consider your next steps](#)



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# More resources for preventing scams & elder financial exploitation

# Fraud prevention handouts

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- Free fraud prevention placemats, handouts, and activity sheets on how to avoid common scams
- Check out the companion resources with tips and information to reinforce the messages
- Available to download or order in bulk
- Available in English and Spanish



[Consumerfinance.gov/placemats](https://consumerfinance.gov/placemats)

# Protecting residents from financial exploitation

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- Ideas to help long-term care communities prevent, recognize, and report elder financial exploitation
- Warning signs of financial abuse
- Information about developing policies and procedures



# Planning for Retirement

[consumerfinance.gov/retirement](https://consumerfinance.gov/retirement)



- Easy to use, interactive tool
- Three simple steps to help consumers navigate their Social Security claiming decision
- Optimized for mobile use
- Created with the support of SSA
- Available in Spanish

# Financial caregiving

# Managing Someone Else's Money



- 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

# What's a **power of attorney**?

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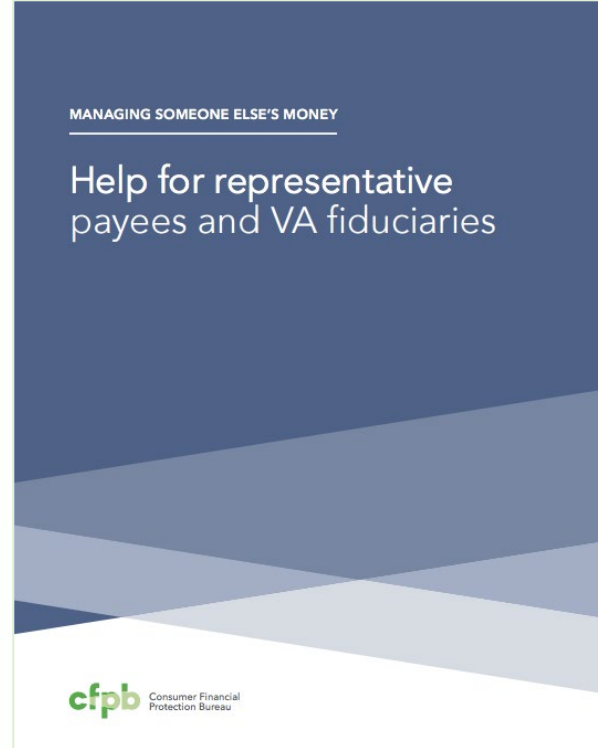
- Legal document giving a financial caregiver authority to make decisions about money and property
  - “Roberto” names you Agent under a power of attorney.
  - You can make decisions if illness or injury leaves Roberto unable to make financial decisions
- Health care power of attorney is different



# What's a **representative payee**? What's a **VA fiduciary**?

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- 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 manage Roberto's benefits only— not financial affairs, other property, or medical matters.





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

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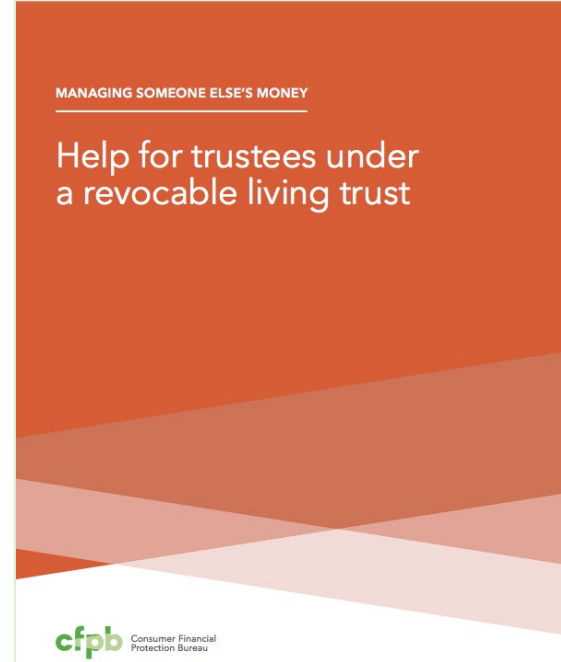
- A court names someone to manage Roberto's money and property if the court finds that he can't manage it alone
- Roberto might also have a *guardian of the person*, if he can't make his own health care or other personal decisions
  - Could be same or different person
- Different states, different terms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



# What's a trustee?

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- 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



# 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.*

# Considering a financial caregiver

- Informal caregivers
- Formal caregivers
- Quiz to help you choose a 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?
<b>Conversation partner</b>	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.
<b>Trusted contact person</b>	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.
<b>Convenience account</b>	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.

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Learn more at [consumerfinance.gov](https://consumerfinance.gov) 1 of 4

# Reverse mortgages

# Two types of CFPB reverse mortgage resources

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## Pre-Origination (before you get a reverse mortgage)

- Know Before You Owe Two-Minute Video
- Considering a Reverse Mortgage
- Reverse Mortgage Discussion Guide

## Post-Origination (once a borrower has a reverse mortgage)

- \*New: You Have a Reverse Mortgage: Know Your Rights & Responsibilities
- The Reverse Mortgage Borrowers Guide to Natural Disasters
- \*New: Housing Hub: COVID-19 resources

# CFPB reverse mortgage guides

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- **Considering A Reverse Mortgage Guide** – Explains the basics of reverse mortgages.
- **Reverse Mortgage Discussion Guide:** Provides an overview of key concepts of HECM loans for older homeowners considering a reverse mortgage.
- **You Have A Reverse Mortgage: Know Your Rights & Responsibilities:** Explains ongoing responsibilities is for older homeowners who have a reverse mortgage.
- **The Reverse Mortgage Borrowers Guide to Natural Disasters:** Highlights ways in which reverse mortgage borrowers can meet their loan obligations while recovering from a natural disaster.

[consumerfinance.gov/reversemortgage](https://consumerfinance.gov/reversemortgage)

# Considering a reverse mortgage guide

- Short plain-language guide on what is a reverse mortgage and how it works.
- Discusses some of the things to consider before borrowing a reverse mortgage loan.

## CONSIDERING A REVERSE MORTGAGE?

### Proceed with caution

- 1 Don't sign the loan documents unless you understand how a reverse mortgage works.
- 2 Know your options – you may have a better choice.
- 3 Have a serious talk with a federally approved housing counselor who specializes in reverse mortgages.

### What is a reverse mortgage?

A reverse mortgage is a special type of home equity loan sold to homeowners aged 62 and older. The loan allows homeowners to access a portion of their home equity as cash. In a reverse mortgage, interest is added to the loan balance each month, and the balance grows.

The loan must be repaid when the last borrower, co-borrower or eligible spouse sells the home, moves out of the home, or dies. Most reverse mortgages today are called Home Equity Conversion Mortgages (HECMs). HECMs are federally insured. If you are interested in a reverse mortgage, first see a HECM counselor.

### How does a reverse mortgage work?

After years of paying down your mortgage, you have built up equity (the amount your property is worth today minus the amount you owe on your mortgage and any home equity loan or line of credit) in your home. With a reverse mortgage, you borrow against your equity.

The loan balance grows over time. You don't have to pay back the loan while you or an eligible spouse live in the home, but you still have to pay taxes, insurance, and maintain the home.

When both you and any eligible spouse have passed away or moved out of the home, the loan must be paid off. Most people need to sell their home to pay off the loan. But, neither you nor your heirs will have to pay back more than your home is worth.



# Reverse mortgage discussion guide

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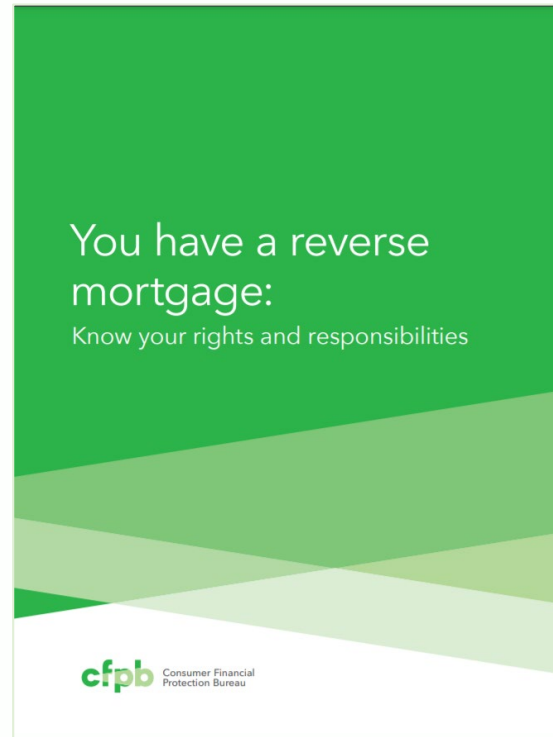
- A more in-depth guide for consumers considering a reverse mortgage
- A tool that housing counselors can use to walk older homeowners through the reverse mortgage product



# Reverse mortgage rights & responsibilities

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- How a borrower may pay off the loan
- What happens after the borrower moves out of the home or dies
- What heirs need to know
- Where to get help



# Your reverse mortgage after a natural disaster

- Ways that reverse mortgage borrowers can continue to meet ongoing loan obligations while recovering from a natural disaster

## Your reverse mortgage after a natural disaster

**A guide for borrowers with a Home Equity Conversion Mortgage (HECM), the most common type of reverse mortgage loan.**

After a natural disaster you may experience damage to your home, unexpected expenses, and a sudden loss of income.

Follow this guide to understand how you can meet your reverse mortgage obligations while recovering from a natural disaster.

### Obligation 1: Keeping your home in good repair

If your house was damaged by a natural disaster:

- File a claim with your insurance company as soon as possible—some policies may require you to file within a certain period after a disaster.
- Notify your lender or servicer of the damage by certified mail. Keep a copy of the letter.



- Take pictures or videos of the damage to help with your claim. Do this before and after any repairs are performed.
- Apply for financial assistance with the Federal Emergency Management Agency (FEMA), if your home is in a Presidentially-Declared Major Disaster Area (PDMDA). You can find out if you qualify and apply for assistance at [DisasterAssistance.gov](https://www.disasterassistance.gov) or call (800) 621-3362 or (800) 462-7585 (TTY).
- Contact your state emergency management office to find out what other assistance is available. Go to [fema.gov/emergency-management-agencies](https://www.fema.gov/emergency-management-agencies) to locate your state office.

# Reverse mortgage resource page

## Reverse mortgage loans

Considering a reverse mortgage loan? Already have one? Learn more about Home Equity Conversion Mortgages (HECMs), the most common type of reverse mortgage loan.



### Learn about reverse mortgages

A reverse mortgage is a special type of home loan only for homeowners who are 62 and older. Watch this two-minute video to see how they work and what to consider before applying.



Get started

### 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](#)

### STILL HAVE A QUESTION?

Call us if you still can't find what you're looking for. You can also submit a complaint about an issue with reverse mortgages over the phone.

# COVID-19 related resources

# [Consumerfinance.gov/coronavirus](https://consumerfinance.gov/coronavirus)



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## Protecting your finances during the coronavirus pandemic

The CFPB is committed to providing consumers with up-to-date information and resources to protect and manage their finances during this difficult time.



[Español](#) | [中文](#) | [Tiếng Việt](#) | [한국어](#) | [Tagalog](#)

### Resources to help you make financial decisions

#### Mortgage and housing assistance

If you're concerned about how to pay your mortgage or rent, we have information on what to do now, and what your options are for mortgage and rental relief.

#### Managing your finances

We have resources to help you protect and manage your finances if you are facing financial difficulties as a result of the pandemic.

### FEDERAL CORONAVIRUS RESOURCES

#### White House Coronavirus Task Force

Information about COVID-19 from the White House Coronavirus Task Force in conjunction with CDC, HHS, and other agency stakeholders.

[Visit coronavirus.gov](https://www.whitehouse.gov/coronavirus)

#### Centers for Disease Control and Prevention



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# Consumerfinance.gov/housing



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## Help for homeowners and renters during the coronavirus national emergency



### Find help for your situation



Get mortgage help if you're struggling

We've got some information to help.



Take action if you're in forbearance

Learn what to do whether you just entered forbearance, need more time or are ready to exit.



Get help if you're a renter

Take action to protect yourself against eviction.



The Consumer Financial Protection Bureau (CFPB), [Federal Housing Finance Agency \(FHFA\)](#), [U.S. Department of Housing and Urban Development \(HUD\)](#), [U.S. Department of Veterans Affairs \(VA\)](#), and [U.S. Department of Agriculture \(USDA\)](#) are working together to help homeowners and



Consumer Financial Protection Bureau

# Coronavirus resources for older adults

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- [Tips for financial caregivers](#)
- [Online and mobile banking tips](#)
- [Planning your finances for an uncertain future](#)



# Using resources

# Resource engagement examples

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- Increase own self-awareness
- Share awareness with family, friends, neighbors, congregation, etc.
- Join an older adult financial fraud prevention network
- Distribute information and resources in your community

# Resource engagement examples

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- Identify and coordinate opportunities for presentations including theme months
- Train others to present MSOA
- Establish an outreach effort to support independence and reduce isolation of older people in your community

# Contact

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## CFPB Office for Older Americans

Website: [consumerfinance.gov/olderamericans](https://consumerfinance.gov/olderamericans)

Email: [olderamericans@cfpb.gov](mailto:olderamericans@cfpb.gov)



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