

What are some ways to minimize the risk of POA abuse?

- Trust, but verify. Only appoint someone you really trust and make sure they know your wishes and preferences. You can require in your POA that your agent regularly report to another person on the financial transactions he or she makes on your behalf.
- Avoid appointing a person who mismanages their own money or has problems with substance abuse or gambling. Tell friends, family members, and financial advisers about your POA so they can look out for you.
- Ask your financial institution about its POA procedures. The financial institution may have its own form that it wants you to complete. But a POA that is valid under your state's law should be accepted by financial service providers.
- Remember that POA designations are not written in stone, you can change them. If you decide that your agent isn't or is no longer the best person to handle your finances, you can revoke (cancel) your POA. Notify your financial institution if you do this.
- Avoid appointing hired caregivers or other paid helpers as your agent under a power of attorney.
- Beware of someone who wants to help you out by handling your finances and be your new "best friend." If an offer of help seems too good to be true, it probably is.

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Plan ahead!

A durable power of attorney is a very important tool in planning for financial incapacity due to Alzheimer's disease, other forms of dementia, or other health problems. It is advisable to consult with an attorney when preparing a power of attorney, a trust or any legal document giving someone else authority over your finances.

Help your agent under a power of attorney or other fiduciary help you.

The BCFP has plain language guides to help people acting as fiduciaries in three ways:

- The guides walk fiduciaries through their duties.
- The guides tell fiduciaries how to watch out for scams and financial exploitation, and what to do if their loved one is a victim.
- The guides tell fiduciaries where to go for help. The guides are available to download and you can order free copies on the BCFP website at **consumerfinance.gov/managing-someoneelses-money**.
- If you or a loved one is a victim of financial exploitation by a fiduciary, take action immediately and make a report to Adult Protective Services or your local law enforcement agency.