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Virginia Bankers Celebrate National Family Caregiver Month

Glen Allen, VA — In recognition of National Family Caregiver Month, Virginia bankers are helping financial caregivers better understand and execute their roles as fiduciaries. The Caregiver Action Network (the National Family Caregivers Association) began promoting national recognition of family caregivers in 1994. Nearly 44 million Americans are providing care to an individual suffering from illness, disability, limited mobility or age. Financial caregivers are nonprofessionals who help manage a loved one's financial life. They may assist with day-to-day finances, planning future needs and are ultimately responsible for protecting their loved ones' money.

"Financial caregivers play a critical role in keeping their loved ones' money safe," said Bruce Whitehurst, president and CEO of the Virginia Bankers Association. "No matter how your role is designated, it's extremely important for caregivers to learn their legal responsibilities and stay up to date on any changes in laws that may affect their duties."

Virginia bankers offer the following tips to help individuals understand their role as financial caregivers:

- **Learn the rights and restrictions that apply to your role.** Financial caregivers, such as those with a power of attorney, trustees, and federal benefits fiduciaries, are fiduciaries with a duty to act and make decisions on their loved ones' behalf. Learn the legal responsibilities of your assigned authority in order to better execute your role.
- **Manage money and other assets wisely.** Financial caregivers may be in charge of daily, unexpected and future expenses their loved ones may incur. Especially if the beneficiary has a fixed income or limited finances, it is extremely important that caregivers minimize unnecessary costs and budget accordingly to ensure that all money is properly allocated.
- **Recognize danger signs.** Seniors have become major targets for financial abuse and fraud. Make sure to stay alert to signs of scams or identity theft that may put your loved one's assets in peril.
- **Keep careful records.** When acting as a financial agent, proper documentation is not only encouraged but required. Make sure you keep well-organized financial records, including up-to date lists of assets and debts and a streamline of all financial transactions.
- **Stay informed.** Monitor changes in financial status of the beneficiary and take appropriate action, as needed. Also, be sure to stay up to date on changes in the laws affecting seniors.
- **Seek professional advice.** Consult a banker or other professional advisors when you're not sure what to do.

In addition, Virginia bankers is providing an explanation of the various roles and responsibilities of three types of financial caregivers: power of attorney, trustee and federal fiduciary.

Understanding your role as a power of attorney.

POA is designated by your loved one and gives you the authority to act and make decisions on their behalf, including managing and having access to their bank and other financial accounts. Authority continues if loved one becomes incapacitated and ends when power is revoked or your loved one dies.

Understanding your role as a trustee.

Authority is given once you are named as trustee or co-trustee of a revocable living trust. As a trustee, your authority applies only to the property noted in the trust, authorizing you to protect, manage and distribute the trust's assets as directed in the trust document. Authority continues after the death of the trust creator or grantor.

Understanding your role as a federal benefits fiduciary.

A federal benefits fiduciary is appointed to accept and delegate federal government benefit payments, such as Social Security and Veterans Affairs benefits, in the beneficiary's best interest. Funds for the beneficiary are received through an account set up solely for this purpose. As a representative payee for Social Security benefits or a VA fiduciary for VA benefits, you are required to keep detailed records of all transactions related to the beneficiary and file annual reports detailing how benefits were used.

To learn more information about National Family Caregiver Month and your role as a financial caregiver, visit www.caregiveraction.org. President Clinton signed the first NFC Month Presidential Proclamation in 1997 and every president since has followed suit by issuing an annual proclamation recognizing and honoring family caregivers each November.

About the Virginia Bankers Association

Established in 1893, the Virginia Bankers Association is the unified voice for commercial and savings banks in Virginia. The VBA maintains an active legislative advocacy program, provides training to bankers statewide, and provides a variety of products and service to help its member banks best serve their communities.

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