CWAG "Advocating for All Generations"

Coalition of Wisconsin Aging Groups
Intergenerational Leadership Development ▪ Education ▪ Advocacy ▪ Elder Law Center

The Coalition of Wisconsin Aging Groups is a nonprofit, nonpartisan, statewide membership organization that was founded in 1978.

Take Action Against Identity Theft

Fast and Easy Tips

Never Give out Credit Card and Bank Account Information

(or other personal information) by phone or over the Internet, unless the transaction was initiated by you with a trusted vendor.

Opt out of credit marketing lists: 1-888-5OPTOUT (888-567-8688) or www.optoutprescreen.com

Opt out of Junk Mail: Register FREE online at

https://www.dmachoice.org/dma/member/regist.action

Remember to renew every three years!

Or, sent a $1.00 check or money order along with a letter stating your name, address, and request to opt out of receiving commercial and charitable mailings to:

DMA Choice
Direct Marketing Association
PO Box 643
Carmel, NY 10512

Use a shredder to foil garbage thieves.

Get on No Call Lists

State No Call: 1-866-9NO-CALL (1-866-966-2255)
nocall.wisconsin.gov (renew every two years)

Federal No Call: www.donotcall.gov (permanent)

Protect Your Name and Property: www.propertyfraudalert.com (if not yet available in your county, contact your Register of Deeds and encourage them to add your county)

Check your credit reports annually: 1-877-322-8228 or www.annualcreditreport.com

If You Have Been Financially Exploited…

Inform your bank and/or credit card company

Contact local law enforcement

Obtain a Security Freeze ($10 each agency* or free with police report proving ID theft) *Also a great planning tool to put in place to *prevent* identity theft!

Forms available at: www.privacy.wi.gov

Send by certified mail to:

Equifax at: CSC Credit Service, Security Freeze, PO Box 674438
Houston, TX 77267-4438

Experian at: Experian Security Freeze, PO Box 9554, Allen TX 75013

TransUnion at: TransUnion Security Freeze, PO Box 6790
Fullerton, CA 92834-6790

Get a 90-day "fraud alert" placed on credit reports.

Equifax Credit Information Services, Inc.
Toll-free (888) 766-0008 (TDD 800-255-0056)
P.O. Box 740241, Atlanta, GA 30374-0241
www.equifax.com

Experian Information Solutions, Inc.
(888) 397-3742 (TDD 800-972-0322)
P.O. Box 9530, Allen, TX 75013
www.experian.com

TransUnion
(800) 680-7289 (TDD 877-553-7803)
Fraud Victim Assistance Division
P.O. Box 6790, Fullerton, CA 92834-6790
www.transunion.com

Email: fvad@transunion.com

Contact the Elder Financial Empowerment Project: (800) 488-2596 Ext. 328

THE RISKS OF TWO COMMON FINANCIAL PLANNING TOOLS

1. JOINT ACCOUNTS

Older adults frequently believe they should create a joint account for the purpose of having another person on the account help him or her pay bills and manage finances, or for the purpose of letting the other person on the account keep the remaining assets in the account when he or she passes away as a method to avoid probate and make a bequest.

THE RISKS:

- The other person on the joint account could take all the individual’s money with no legal repercussions.
- There is no fiduciary duty imposed on the other person to manage the funds according to how the individual decides.

THE SOLUTIONS:

- Suggest that the individual instead create a Power of Attorney (POA) account. A power of attorney account functions similarly to a joint account but a fiduciary duty is imposed on the “agent” of a power of attorney account so that any theft of the funds may be legally recovered.

- Suggest that individual instead set up a POD (Payable on Death) account. This is for the individual who just wants to avoid probate and wants the other person to receive the assets when he or she passes, but does not need the other person to access the funds right now.

- Suggest that the individual use a representative payee to manage any public benefits he or she receives. A representative payee has a fiduciary duty to manage the funds properly and not steal. Mismanagement and theft can be legally prosecuted.

- Suggest the individual meet with an elder law attorney to discuss these and/or other options – there are many more available solutions to avoid using a joint account.

2. FINANCIAL POWER OF ATTORNEY

A financial power of attorney allows an older adult to designate someone else, an “agent,” to help manage his or her finances now or upon incapacity. This can be an effective financial planning tool, but the risks should be known and avoided.

THE RISKS:

- Untrustworthy agents may abuse their authority under this document and steal from the individual.
- There is a fiduciary duty in place so the agent will be held responsible for mismanagement or theft, but unscrupulous agents tend to need the money and spend it immediately. They don’t save it for future use or repayment, and you can’t squeeze blood from a stone.

THE SOLUTIONS:

- Choose someone you trust implicitly to be your agent. The agent should be good at managing finances, respectful to your wishes, and not chosen merely because of family loyalty. **Trust is important.**
- If you do not have someone you trust enough to take on this responsibility, **consider alternatives** such as setting up a trust with an appointed trustee, hiring a bonded, creditable bill paying service, or obtaining a representative payee for public benefits income.
- **Beware of gifting clauses** in financial power of attorney documents.
- **Include a provision in your financial power of attorney document requiring your agent to file monthly, quarterly, or bi-annual reports** of all financial activity with someone who will review the reports for unusual transactions.
- **Do an informal background check – Google “CCAP.”** Look up the person’s name on CCAP, the Wisconsin Consolidated Court Automated Program. This site provides access to public court records of many civil and criminal proceedings. You want to look for financial crimes – theft, eviction, unpaid debt, bankruptcy, etc. If the person you are considering appointing your agent has a serious criminal history or past of unpaid debt, you might want to reconsider your choice.

For questions about joint accounts or financial powers of attorney, contact the Elder Financial Empowerment Project: 800-488-2596 Ext. 328 or jhendrick@cwag.org.

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