Fast Facts & Financial Resources from the BCFP

Office of Financial Protection for Older Americans | August 30, 2018
Disclaimer

This presentation is being made by a Bureau of Consumer Financial Protection representative on behalf of the Bureau. It does not constitute legal interpretation, guidance or advice of the Bureau of Consumer Financial Protection.

Any opinions or views stated by the presenter are the presenter’s own and may not represent the Bureau’s views.
The Bureau of Consumer Financial Protection (Bureau) regulates the offering and provision of consumer financial products and services under the Federal consumer financial laws, and educates and empowers consumers to make better informed financial decisions.
Office of Financial Protection for Older Americans

We develop initiatives, tools, and resources 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/older-americans
Elder financial exploitation

The Bureau’s resources
Elder Financial Exploitation

- **Definition**: Illegal or improper use of an older adult’s funds, property, or assets*

- **Frequency**: Most common form of elder abuse (only a small fraction of incidents reported)

- **Perpetrators**: Anyone; can include family, caregivers, scammers, financial advisers, home repair contractors, fiduciaries, etc.

- **Attractive targets**: Significant assets or home equity

- **Vulnerabilities**: Isolation, cognitive decline, physical disability, health problems, or recent loss

*Interagency Guidance on Privacy Laws and Reporting Financial Abuse of Older Adults*
Money Smart for Older Adults

- An awareness program developed in collaboration with the FDIC.
- Content on common issues facing seniors, including how to identify a potential scam or fraud and other forms of exploitation.
- Instructor-led curriculum.
- Resource Guide available in bulk at no charge.
- Content updated March 2017.
- Available in English and Spanish.
Curricula Components

- 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 that supplements classroom instruction.
MSOA Topics

- Common Types of Financial Exploitation
- Scams that Target Homeowners
- Scams Targeting Veterans
- Planning for Unexpected Life Events
- How to Be Financially Prepared for Disasters
Examples of Elder Financial Exploitation

- Exploitation by an agent under a POA or person in another fiduciary relationship
- Theft of money or property by family members, caregivers, or in-home helpers
- Investment fraud and scams
- Lottery and sweepstakes scams
Examples of Financial Exploitation (cont.)

- Grandparent/Imposter scams
- Charity scams
- Tax and debt collection scams
- Telemarketer, mail offer or salesperson scams
The Bureau’s Office of Financial Protection for Older Americans studied the benefits of community networks nationwide that bring together key partners like law enforcement, financial institutions, and adult protective services to protect seniors from financial exploitation.

- The Bureau released a report based on this study, *Fighting Elder Financial Exploitation through Community Networks*.
- The Bureau embarked on an outreach initiative called the Community Protection Networks Project (CPNP) to “seed” the formation of new networks where none exist and help those that are functioning to grow in size or scope and/or enhance their impact.

Learn more at: consumerfinance.gov/elder-protection-networks
Tips and resources on:

- Steps for starting a network
- Sustainability
- Traits of successful network coordinators
- Organizing effective meetings
- Education and case review
Consumer Protection Placemats

- 1.2+ million ordered
- 9 in English, 5 in Spanish
- Ordered by:
  - Meal sites
  - Banks & credit unions
  - Native communities
  - Area agencies on aging
  - Libraries
  - Other non-profits.

Consumerfinance.gov/placemats
Fraud Prevention Placemats

- Paper placemats include information to help older adults avoid common financial scams.
- Placemats can be used at group meal sites, or by community or faith-based organizations, financial institutions, and other groups in a variety of ways.
- Check out the companion resource with tips and information to reinforce the messages on the placemats.
- Placemats are free to download or order in bulk.

Visit consumerfinance.gov/placemats
Companion toolkit

Help protect seniors in your community

Companion lesson plan
Result of user testing: Game placemats

Spot scams from a mile away.

Find these five common scam types:
- fraud
- contractor
- free lunch
- identity theft
- tech support

Answers on back!

An official publication of the U.S. Government
Result of user testing: Game placemats

Scams can hide in plain sight, learn how to spot them.

Answers:

Fraud: When someone tricks you into giving up your money.

Contractor scam: If someone knocks on your door with an offer to work on your home at a discount, it could be a scam. Often these scam artists charge more than their quoted prices or their work doesn’t live up to their promises.

Free lunch: You are invited to hear a pitch for an investment in exchange for a free meal. You will likely get pressured to participate. Remember, if it sounds too good to be true, it probably is.

Identity theft: When credit cards or bank accounts are opened in your name without your permission. Check bank and credit card statements, and your credit report on a regular basis.

Tech support scam: When scammers pretend to be techs who have detected viruses or other malware on your computer. They may try to convince you to buy fake security software, giving them access to your credit card number. Don’t give out financial information on an unsolicited call.

Learn more about how to protect yourself from scams.
Ask your meal helper or visit consumerfinance.gov/elderfraud
Working with financial institutions to protect older account holders

Voluntary recommendations for financial institutions:

- Train staff to recognize abuse
- Use fraud detection technologies
- Offer age-friendly services
- Report suspicious activity to authorities
Financial caregivers

The Bureau’s guides
Managing Someone Else’s Money guides

- Help for financial caregivers handling the finances for a family member or friend who is incapacitated
- Guides for four common types of financial caregivers:
  - Agents under a Power of attorney
  - Guardians and conservators
  - Trustees
  - Social Security and Department of Veterans Affairs (VA) representatives
- Includes tips on protecting assets from fraud and scams.
- Available in English and Spanish
Reverse mortgages

What are they?
What is a reverse mortgage?

https://www.youtube.com/watch?v=L89d3faoFGw
Reverse Mortgage Resources
Guides that answer common questions
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.
Reverse Mortgage Discussion Guide

- A more in-depth guide for consumers considering a reverse mortgages.
- A tool that a housing counselor can use to walk consumers through the reverse mortgage product.
A growing number of businesses are increasingly using the phrase aging in place to market financial products and services to homeowners in the baby boom generation.

The blog provides a list of things to consider if you’re thinking about aging in place in your current home.

Read more at: consumerfinance.gov/about-us/blog/dont-let-marketers-tell-you-how-age-place/
Ask CFPB – to find answers to your questions on reverse mortgages

Ask CFPB

We offer clear, impartial answers to hundreds of financial questions. Find the information you need to make more informed choices about your money.

Auto loans
- What effect will shopping for an auto loan have on my credit? Read answer
- I owe more on my current loan than my current vehicle is worth. What do I need to know if I buy a new vehicle? Read answer

Bank accounts and services
- How quickly can I get money after I deposit a check? Read answer
- I would like to be able to have my friend or family member help with my bill-paying and banking. What are my options? Read answer

Credit cards
- What is a credit card interest rate? What does APR mean? Read answer
- How do I dispute a charge on my credit card bill? Read answer

See all credit cards questions

consumerfinance.gov/askcfpb
Complaints

The Bureau’s Complaint Process
Office of Consumer Response

• “Collecting, investigating, and responding to consumer complaints” is one of the six statutory “primary functions” of the Bureau.¹

¹ 12 U.S.C. 5511(c)(2).  
Office of Consumer Response

Answer questions

Handle complaints

Analyze and share data

20K+ telephone calls per month

29K+ complaints per month
As of **June 30, 2018**, we’ve handled over **1,578,700** complaints about the following consumer financial products and services:
Bureau Resources

- Visit us: consumerfinance.gov/olderamericans
- Join our mailing list for news and updates on resources
- Order materials in bulk
- Contact us olderamericans@cfpb.gov