



## How Can I Help My Elderly Parents Manage their Finances?

**Q:** My parents are aging, and I believe they can use help in managing their everyday expenses and may eventually need a proxy. How can I best help my parents with their finances?

**A:** Your parents are fortunate to have a child who's proactively willing to help with this challenging task. Here are some ways you can help your elderly parents manage their finances.

**Determine whether they need help** - If you notice any of the following, it may be a sign that your parents need assistance with money management:

- Unusual and unnecessary purchases	- Physical setbacks
- Piles of unopened mail	- Cognitive impairment and/or memory failure

**Communicate openly** - Before you take steps toward managing, or assisting with, your parents' finances, have an open conversation with them about your current and future intentions. You can share that you are only there to help and that you will not take any actions without their permission, whether before or at the time of need.

**Gather information** - Next, sit down with your parents and ask these questions about their finances:

- Have you named a durable power of attorney (POA) for finances?	- Where do you keep your financial records and assets?
- What are your monthly expenses?	- How much is your annual income?
- What kind of health insurance do you have?	- Have you written a will or a trust?

**Establish a plan** - Be sure to honor their dignity as much as possible. Ask them if they'd like you to take responsibility for one or more of their monthly financial-related tasks. For example, you can pay their mortgage and car payments each month, or make decisions relating to their investments. At this time, consider simplifying their finances in any way you can. You can also automate as many bills as possible.

If your parents find it difficult to relinquish this independence, start assuming responsibilities for their finances gradually; just one bill at a time. Taking over the finances of elderly parents can be a delicate and daunting task. But it is often necessary. Use the tips outlined here to navigate this situation smoothly.

**Questions? Want more information on Freedom? Contact your personal Freedom Federal Credit Union representative, Lisa Snodgrass at [lsnodgrass@freedomfcu.org](mailto:lsnodgrass@freedomfcu.org) or call 410-612-2123!**

### About Freedom Federal Credit Union

Freedom Federal Credit Union is proud to be your financial partner. Freedom serves and is open to anyone who lives, works, worships, attends school, volunteers, or has family in Harford or Baltimore County, MD. As a credit union, we are committed to putting you first, not shareholders, and helping you achieve your financial goals. Learn more at [freedomfcu.org](http://freedomfcu.org) or call 410-612-2123 to see how we can help.