

Facing The Dementia Dilemma Together: Collaboration between Charitable Gift Planners and Financial Planners



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Today's Agenda

- Overview and Introductions
- Understanding Dementia
 - Professional Fundraisers
 - Professional Financial Services: A Research Study
- A Case Study Overview: **The Carlson Family**

- Relationship Dynamics
- Shared Experience: Financial Services and Gift Planners
- Join Forces: Philanthropic Directive Overview
- Table/Group Work



Understanding Dementia and Financial Services Research Studies

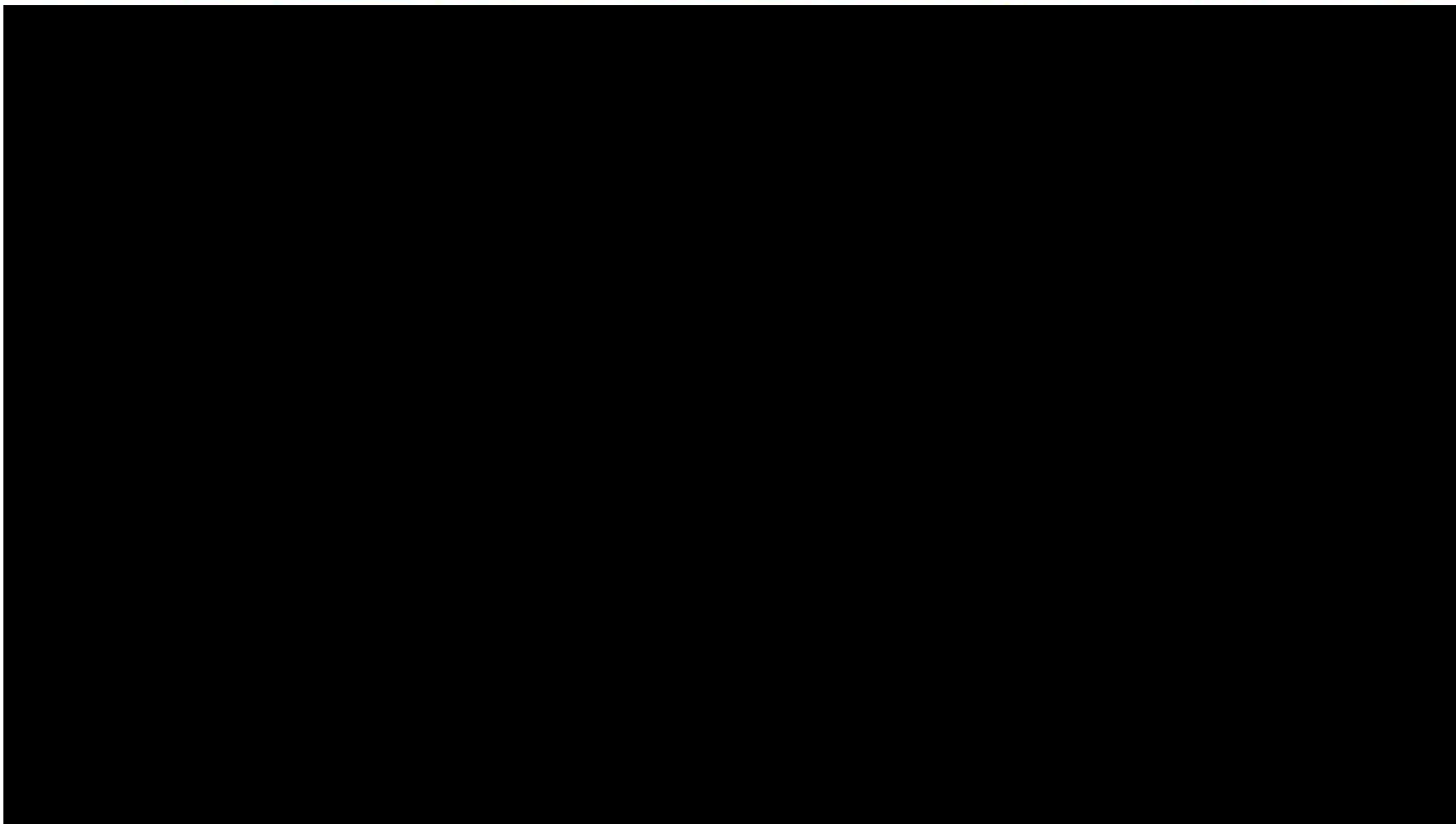


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Survey of Financial Planning Professionals

n=243 respondents across 40 different US states

Respondents were generally highly educated, qualified, and experienced:

- 66% were CFPs and 20% had other related certification
- 99% were currently employed as a financial planner
- A majority had extensive work experience: 41% 20+ years; 33% 11-20 years
- Highest level of education: 4-year degree (51%) or Master's degree (43%)
- Respondents were split in percentage of clients aged 65+, 41% (51-75% of clients); 35% (26-50% of clients)



Here is a comparison of key findings between the two

Financial Planners n=243

1. A majority indicated they were familiar with definition of dementia, 17% indicated understanding about different types of dementia
2. 96% would like to have future dementia training

Professional Fundraisers n=338

1. A majority indicated they were familiar with definition of dementia, 32% indicated understanding about different types of dementia
2. 60% uncomfortable continuing relationship with client who has dementia
3. 79% reported ethical concerns
4. 72% had not received training on this topic
5. 94% would like to have future dementia training



Alzheimer's: 10 Early warning signs

- 1 Memory loss that disrupts daily life
- 2 Challenges in planning or solving problems
- 3 Difficulty completing familiar tasks
- 4 Confusion with time or place
- 5 Trouble understanding visual images and spatial relationships
- 6 New problems with words in speaking or writing
- 7 Misplacing things and losing the ability to retrace steps
- 8 Decreased or poor judgment
- 9 Withdrawal from work or social activities
- 10 Changes in mood and personality

Source: https://www.alz.org/alzheimers-dementia/10_signs



Preventing financial mismanagement with your trusted resources



Angie O'Leary

Head of Wealth Planning and Insured Solutions

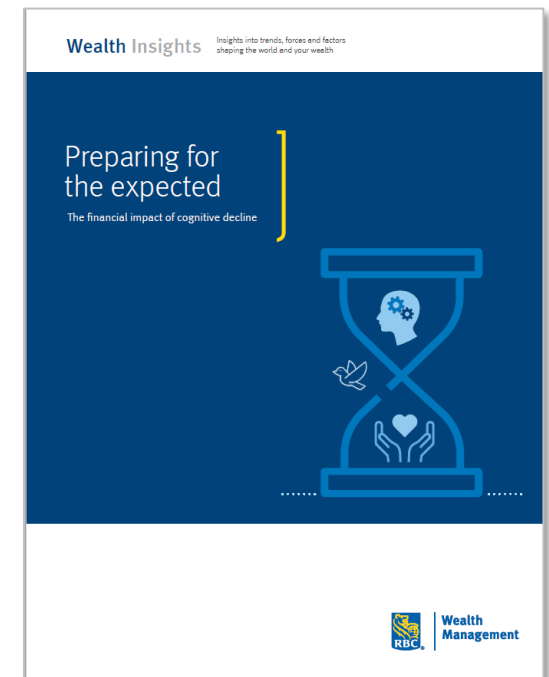


Wealth
Management

The financial impact of cognitive decline

Highlights of the RBC caregiver survey

- **The overall lifetime cost of care can be financially devastating**, often exceeding \$750,000.
- **Women are disproportionately providing the care** and taking the financial hit.
- **Caregivers also share the financial burden**, both directly and indirectly. 83% of caregivers surveyed shared the financial burden by contributing directly and/or indirectly, with 54% of the caregivers changing their work arrangements.
- **Surprisingly, caregiving duties are impacting younger families**, putting a further squeeze on the Sandwich Generation.
- **Financial mismanagement is a real concern**, with 80% of caregivers reporting some level of financial mismanagement by the individual they cared for. The study included both past and present caregivers.





Understand the early warning signs

Routines

- Difficulty with routine financial tasks
- Mail piling up, inability to organize bills and receipts
- Difficulty handling money or paying bills, paying the same bill multiple times, or missing a payment
- Forgetting to pay taxes



Relationships

- A sudden change in a financial relationship with financial advisors or a financial institution
- Unexplained changes to financial accounts, mailing address or passwords
- New interest in a phone solicitor or unusual email activity
- New or unusual charitable giving



Requests

- Unusual requests or repeated requests for the same information
- Frequent username or password resets
- Inability to make basic decisions, needing repetitive explanations
- Difficult to reach, has been denied access to his or her money



Risk

- A sudden or escalating change in investment style or increase in credit facilities or loans
- Unexplained interest in riskier investments
- Sudden or increased trading or spending patterns or abrupt changes in financial assets
- Sudden lack of activity, indecisiveness or disinterest





A hefty price tag



Cognitive decline is the most expensive disease in the United States.

The overall lifetime cost of care for someone diagnosed with a progressive cognitive disorder can be financially devastating, often exceeding **\$750,000** when you factor in the direct and indirect costs to the caregiver(s) and related financial mishaps.

The price tag on the disease is escalated by the propensity of individuals with cognitive decline to make poor financial decisions that can further impair their finances.

83%

of caregivers contribute financially through direct and/or indirect costs to support their loved one's daily needs, totaling **\$17,780** annually.

80%

of caregivers contribute **\$11,176** annually in out-of-pocket expenses.

24%

of caregivers experience an average annual income loss of **\$37,992**.

21%

of caregivers face both out-of-pocket expenses and income loss totaling **\$48,259**.



80%

of people affected by dementia have at some point experienced financial mismanagement.



Helpful resources and tools

Survey results based on order of importance:

- 1 A financial advisor (47%)
- 2 Account-monitoring tools (42%)
- 3 Guidance from the Alzheimer's Association (39%)
- 4 Access to support from AARP Caregiving (36%)
- 5 Monthly budget calculator (33%)
- 6 Retirement planning guidance (32%)



Trusted contact



Financial caregiver



Philanthropic steward

**RBC Wealth Management—U.S. caregiver study The study was conducted between November and December 2019 via online survey and focused on 1,000 mass affluent and high-net-worth individuals (HNWIs) in the United States. It included current and former caregivers of family members and non-family members experiencing cognitive decline or dementia but excluded professional caregivers. The study also included qualitative in-depth interviews with financial advisors and executives who have clients and/or family members who have dealt with, or are currently dealing with, cognitive decline or dementia.*



Case Study Overview: The Carlson Family



Nancy Carlson is a successful children's book author and illustrator who has published more than 60 books over the course of her career.

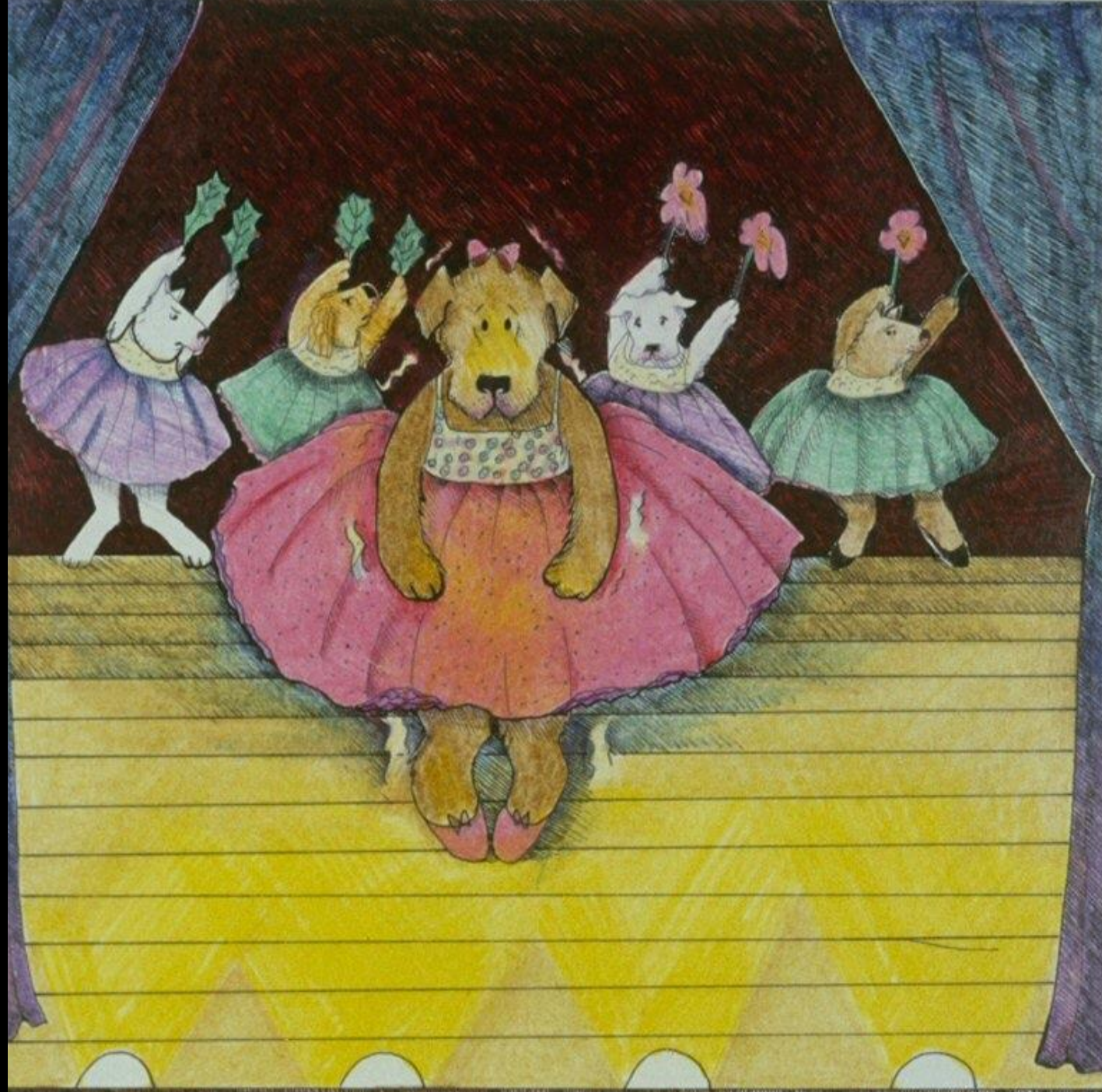


Barry McCool and Nancy Carlson during better times.









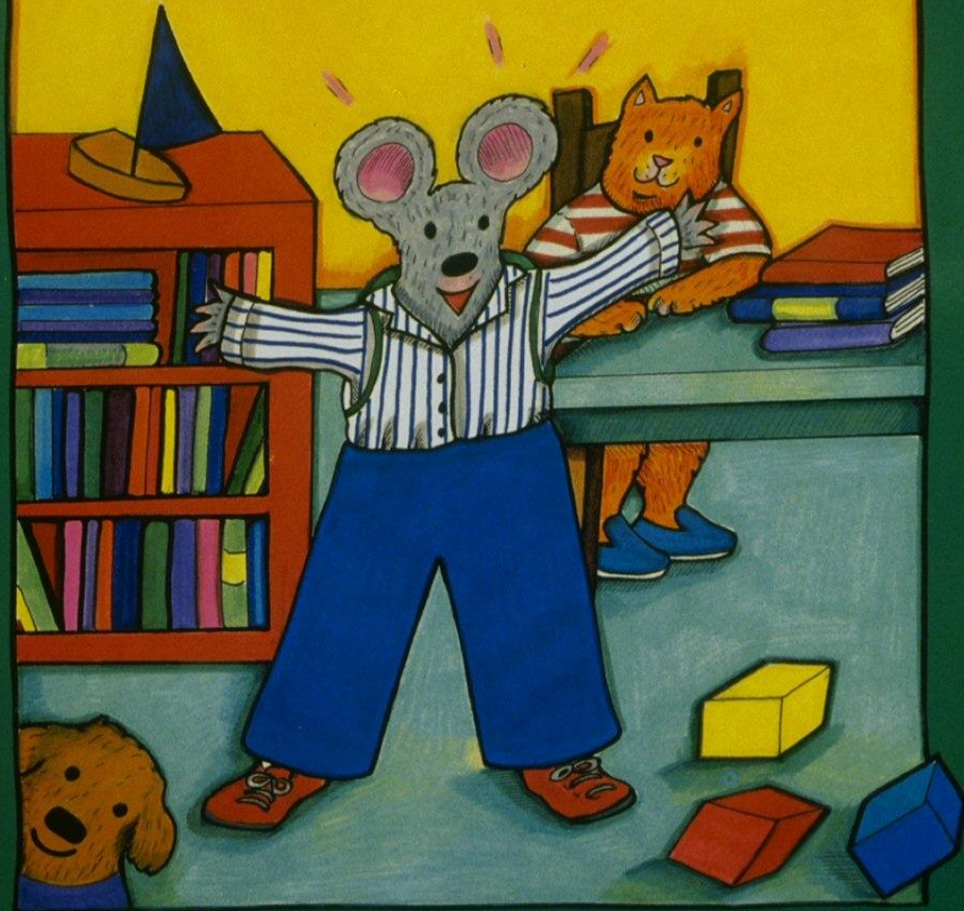






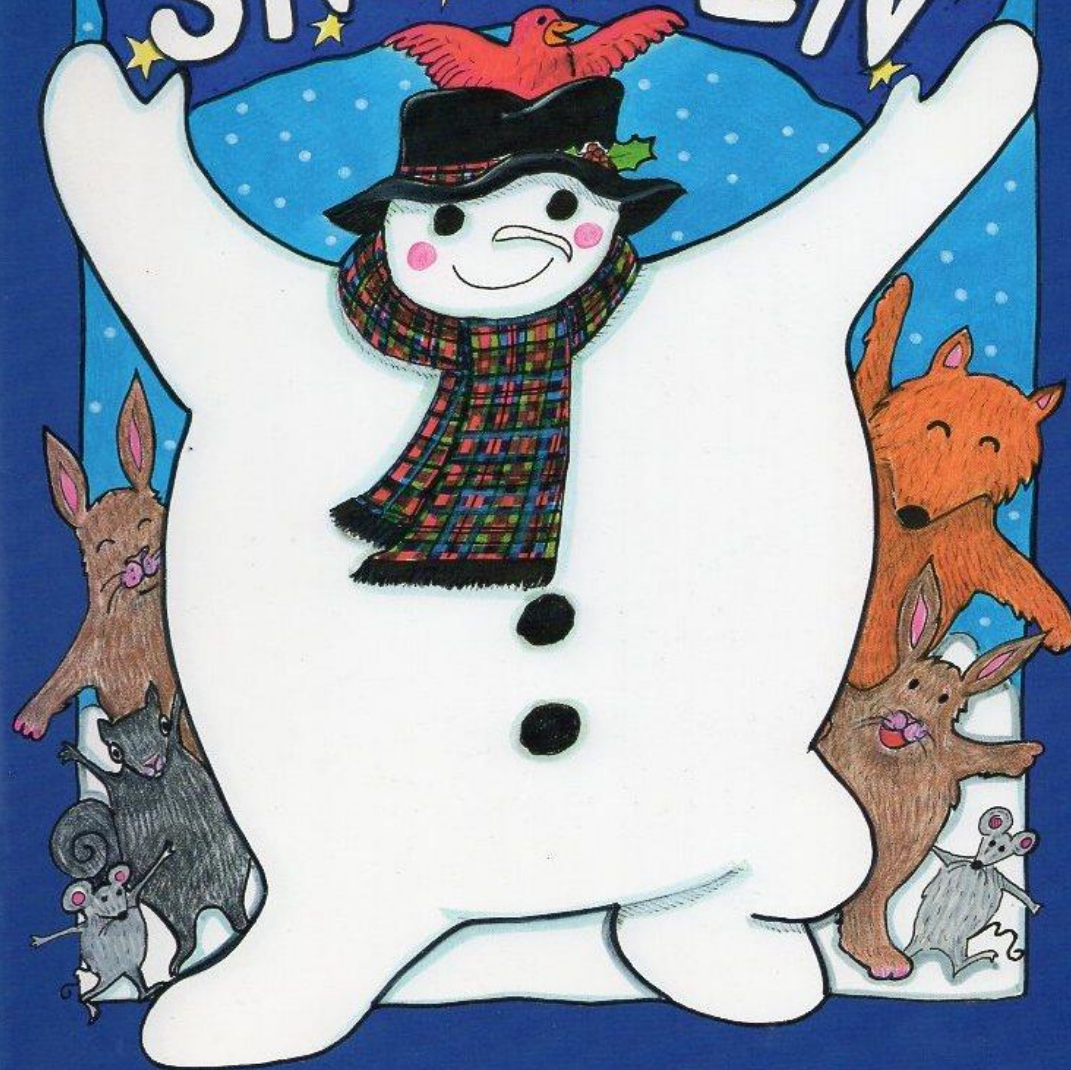
That best friend is me!

Look Out
Kindergarten,
Here I Come!



Nancy  Carlson

SNOWDEN



by **NANCY CARLSON**



⑤ She waited Patiently for her
date to Arrive. It had
been two WEEKS..... v.c.

1982...



Carrots think
they are so cool!



I can't TAKE it...ANY More!













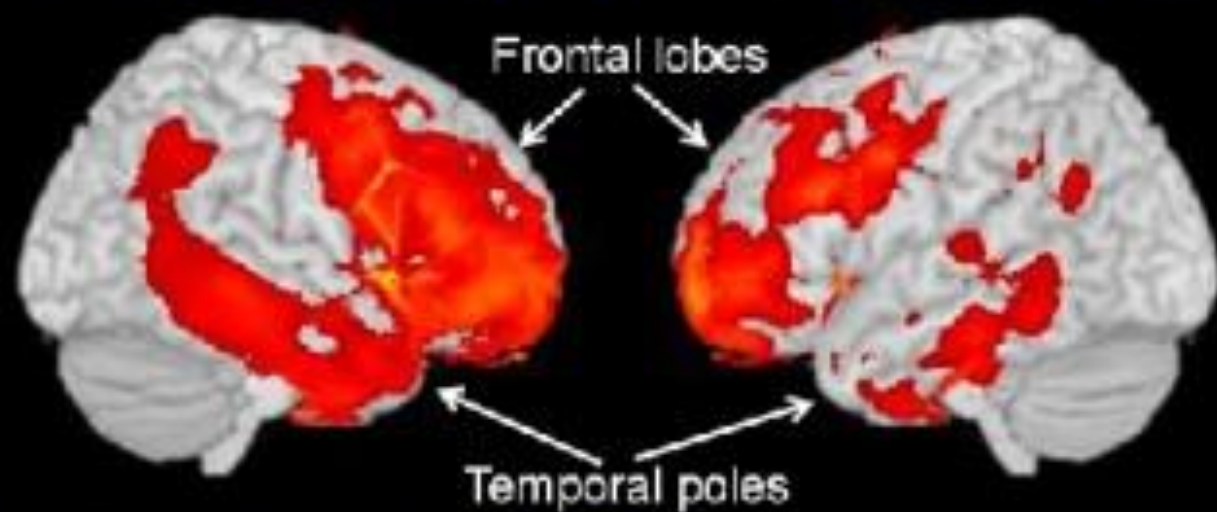
collect

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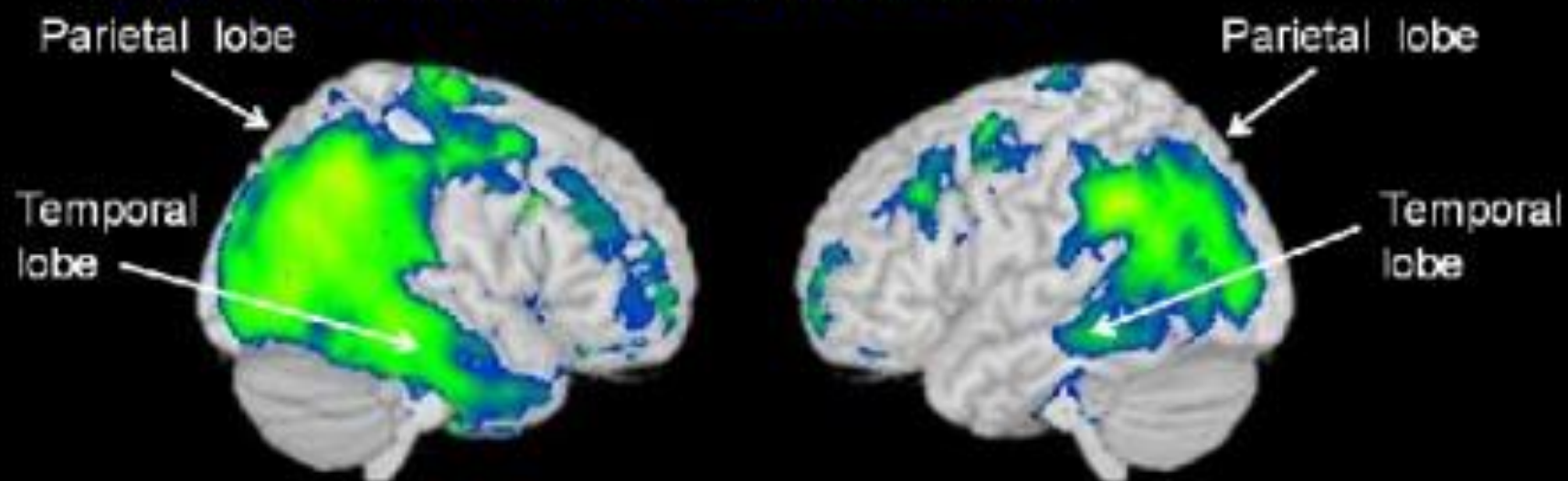
E-cigarettes pos



Frontotemporal Dementia



Alzheimer's Disease





















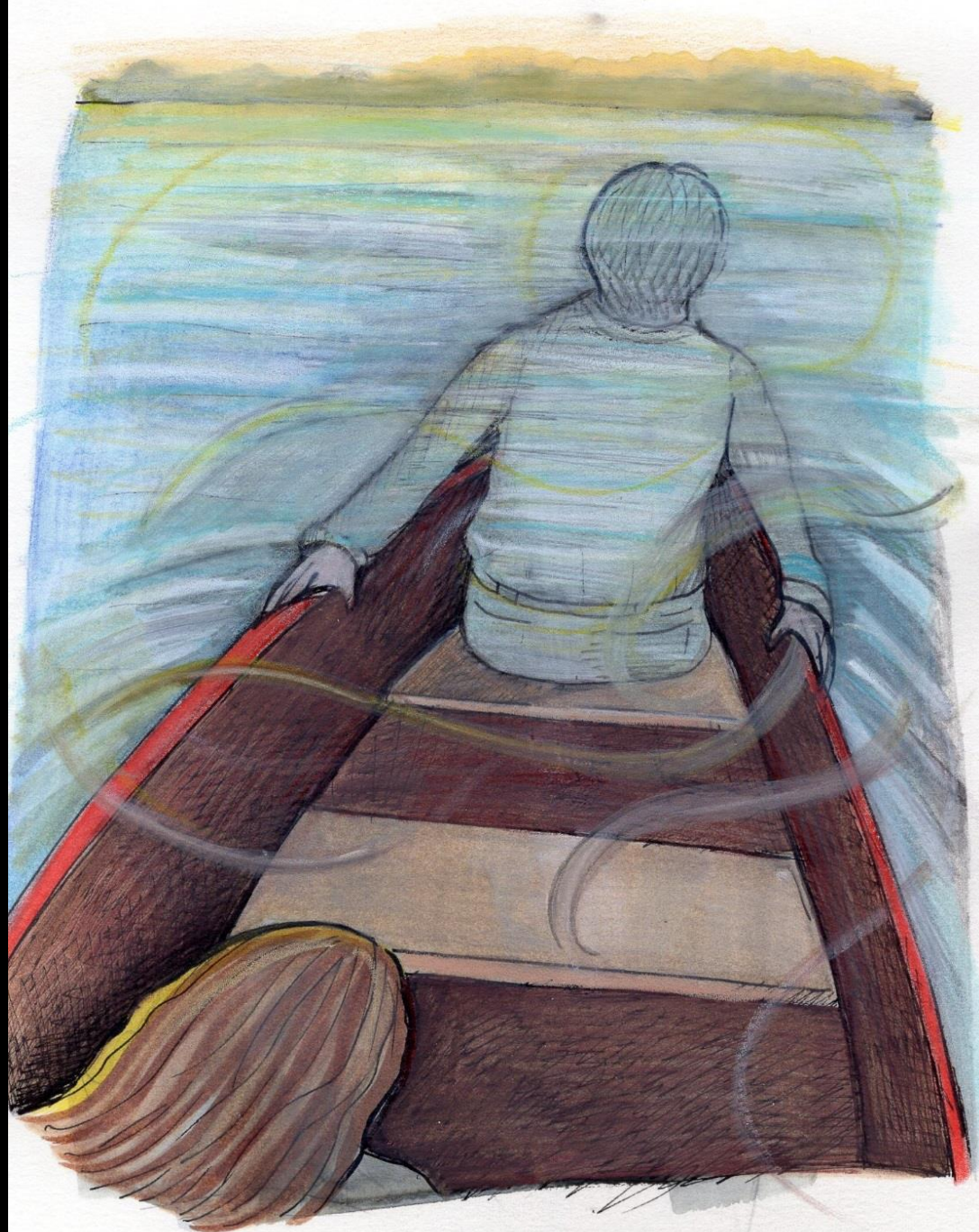












nc 2016







Authorizations Guide

Who can I talk to? | What actions can I take?

	Trusted Contact Person	POA, Trustee, Conservator, Guardian	Successor POA, Trustee, Conservator, Guardian	Trading Authorization on File	Executor / Estate Rep	Beneficiary	Known family member (with authorization)
<i>***For any concerns regarding senior or vulnerable clients, contact the Client Risk Prevention team***</i>							
Discuss possible financial exploitation	GO!	GO!	STOP	STOP	STOP <small>No authority prior to client death</small>	STOP	STOP
Confirm client's current contact information	GO!	GO!	STOP	STOP	STOP <small>No authority prior to client death</small>	STOP	STOP
Confirm client's health status	GO!	GO!	STOP	STOP	STOP <small>No authority prior to client death</small>	STOP	STOP
Confirm client's POA, trustee, conservator, guardian or executor	GO!	GO!	STOP	STOP	STOP <small>No authority prior to client death</small>	STOP	STOP
Discuss client account holdings and activity	STOP	GO!	STOP	GO!	STOP <small>No authority prior to client death</small>	STOP	STOP



Relationship Dynamics

DONOR/CLIENT

Balanced and intentional investing and gifting of personal resources

Desire to express personal values and interests

Cultivate relationships with next generation of investors

GIFT PLANNER

Maximize charitable gifting

Fulfill philanthropic intentions

Cultivate relationships with next generation of investors

FINANCIAL ADVISOR

Maximize portfolio growth

Balance quality of life with charitable gifting

Cultivate relationships with next generation of investors

PHILANTHROPI C ADVISOR

Guide meaningful philanthropic choices with possible charities

Maximize philanthropist's impact on charities

Cultivate relationships with next generation of investors



Shared Experience: Financial Advisors and Gift Planners



Joining Forces: A Philanthropic Directive Overview



Philanthropic Directive Defined

- Similar in purpose as a Health Care Directive and affiliated with a durable power of attorney.
- Donor's declaration that the philanthropic directive, signed and notarized to become a legal record, is intended to be a guiding document during the donor's lifetime.
- Contains naming a "Philanthropic Advocate" entrusted to communicate the wishes, intentions, desires of the donor if the donor is physically deemed, (by a physicians' determination), unable to make decisions for themselves.



Philanthropic Directive Defined

- Articulates donor's personal values (of intentional philanthropy) now and into the future, with definition around time or duration, amount(s) gifted, and designation.
- Contains donor's instructions as to how they intend to continue support for specific charities even while incapacitated.
- Provides for how the donor wishes to be stewarded, even when incapacitated.



Differences between a Will and PD

WILL

- Intentions not always known
- Usually created later in lifetime
- Takes effect after death

PHILANTHROPIC DIRECTIVE

- Intentions made readily known and sometimes public
- Created earlier in lifetime
- Allows for a “voice” while living, albeit impaired
- **Ensures family member or trusted advisor communication**
- Elevates the ethical approach taken regarding financial management and transparency



- **CHARITABLE WISHES**

- (Questions to determine the philanthropic priorities and levels of gifting for the donor, and in what sequence?)

- **STEWARDSHIP WISHES**

- (How does the donor wish to remain connected to the charity(ies) that is/are most important to them?)



- **LANGUAGE TO CONNECT FINANCIAL PLANNING WORLD TO PHILANTHROPIC DESIRES OR VICE VERSA**

- (Is the PD subject to be superseded by documents/matters- the will, etc.?)





Group Discussion: Report Out and Q&A





Thank you!

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Wealth
Management



Resources

- Alzheimer's Association: www.alz.org
- The American Speech-Language-Hearing Association, ***What Can I Do to Communicate Better with a Person with Dementia?***
<http://www.asha.org/public/speech/disorders/dementia/>
- The American Speech-Language-Hearing Association, ***What is Dementia?***
<http://www.asha.org/public/speech/disorders/dementia/>
- National Institute on Aging, ***Alzheimer's Dementia:***
<http://www.nia.nih.gov/alzheimers/publication/alzheimers-disease-fact-sheet>



Resources

- **University of Minnesota Creating A De-identified Data Set:**

<https://www.healthprivacy.umn.edu/policies-procedures/creating-de-identified-data-set>

- **Memory Loss & 10 Early Signs of Alzheimer's**

https://www.alz.org/alzheimers-dementia/10_signs