

Who will act for you: your personal decision makers

When one dies, other people are left in charge of what happens to their assets and other belongings – and to any dependents who survive them. Alternatively, during life, should a medical condition leave a person unable to communicate, someone else will make decisions about their financial affairs and medical care.

You should choose now who you want to make those decisions. You can set up legal documents that name who your personal decision makers will be. Common types of decision makers are: an agent (also called power of attorney), executor, trustee and guardian.

Power of attorney

A power of attorney, often known as a durable power of attorney or simply POA, allows someone to legally make decisions on your behalf while you are living. Although this designation is a safeguard in case you become mentally or physically incapacitated,

some people name and begin working with an agent when age or disability make financial transactions or medical decisions more difficult to handle alone. In addition, an agent may function even if you are capable, but unavailable (for example: in another country). There are two primary kinds of agents with two different roles.

Power of attorney for financial

decisions: This is your legal representative to take care of your financial affairs for you. This person can perform such tasks as bill paying, banking, making purchases and transacting other financial matters on your behalf.

You can limit how much power your agent will have. People who live in another state part of the year may have an agent only for emergency transactions at home. An agent's responsibilities end with your death.

Power of attorney for medical

decisions: This is your legal representative to make health decisions for you if you become unable to make those decisions yourself. This person may need to make choices about administering treatment, medication, nursing home care, hospice care and end-of-life medical procedures. This person is also sometimes called a health care agent or proxy.

An agent for medical decisions can also play an important role when you have a debilitating condition that isn't immediately life threatening, like a stroke or dementia. In that situation, you may still live for many years but no longer be able to make your own decisions.

A related document is a living will or advance medical directive. Living wills are applicable in specific health situations. Information on living wills is available in a related Making your wishes known guide, *Medical Treatment: advance directives*.



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Executor

A critical component of a will is naming a personal representative, usually called an executor. This is the person who ensures that the wishes you state in your will are carried out. Depending on how detailed your will is this responsibility could involve overseeing a number of financial and personal decisions.

See the related Making your wishes known guide, *Property and assets, part one: wills*, for more information.

Trustee

If you have created any trusts, a trustee will be responsible for ensuring those trusts are handled according to your wishes. The trustee may be a trust institution or bank that administers the trust or an individual.

See the related Making your wishes known guide, *Property and assets, part two: trusts*, for more information on trusts.

Guardian

You name a guardian in the event that minor children or other dependents survive you. Your guardian may likely be the one who raises your children or provides ongoing care – or is responsible for managing care for a dependent adult.

Choosing your decision makers

One person or institution may hold all of the various roles of personal decision making for you. But there are also good reasons for others to share in those responsibilities, particularly if you appoint an individual. One person often doesn't have all the skills, time or capability to handle all of them.

Because legal documents are often drawn up well in advance of a person's disability or death, naming a secondary (or substitute) person or institution to each role is also important since a primary person could become unavailable, incapacitated or precede you in death.

As you consider which individuals to designate as decision makers, the most logical are usually close family members: spouse, children, siblings and parents. If your spouse is not living, you may choose your oldest adult child or an adult child with a financial or legal background. Also, close friends or counselors can be good choices for some of these roles.

Institutions as decision makers bring a different set of skills to the table. First, they have skills and experience in managing financial affairs and assets on behalf of others. Banks and trust companies regularly act as a legal fiduciary, which is part of their professional services. They typically bring to the task a higher level of experience than a family member or friend. Also, an institution is a disinterested third party without personal perspectives or experiences that can color how individuals might interpret your wishes.

Regardless of who you choose in these decision-making positions, you will want someone or an institution who:

- Knows you well enough to understand and appreciate your values.
- Will accept the responsibilities you've given them.
- You trust and will respect your wishes. Your guardian will likely have a tremendous impact on your dependents, for good or ill. Your POA will have significant power over your finances and physical health.
- Can make sound decisions under stress.
- Can handle any conflicts that your final decisions may create among family members.
- Is comfortable or has experience with medical, financial and/or legal matters, although this is not a requirement.

Carefully choosing decision makers is important. Whoever you choose, talk with them before you make their role official. Discuss your thoughts about dependents, finances and health with your decision makers so they can make the best choices on your behalf. Make sure they are willing to follow through on these roles. These positions carry the weight of responsibility, which some people may not want. Discuss with them who you have named to various positions – as well as your expectation that you want decision makers to work well together. Finally, it's important to give them a copy of your key financial and medical documents or the location of these documents.

Naming your beneficiaries

Although they will not make any decisions about the end-of-life process, beneficiaries are the people who will care for what you give to them, such as cash or other assets. It is important to regularly review and update your beneficiaries in your retirement plans, annuities and life insurance policies.

Most people list their spouse and children as beneficiaries. Depending on your situation, you may also consider any stepchildren and grandchildren. A single person may want to include parents and siblings as beneficiaries. You also can reflect your faith and charitable passions by naming churches, missions and charities as beneficiaries.

How to legally designate your decision makers

Each of your decision-maker roles must be documented legally, so they can be recognized by those who will implement your wishes: medical providers, financial institutions, lawyers and others.

You can make these roles legal by naming individuals as:

- POAs for medical and financial decisions in a legal document that your lawyer can draw up.
- Executor and guardian in your will and trustee in your trust document. See also the Everence guides (mentioned above) on wills and trusts.

How Everence can help

Fiduciary services: Everence (through Everence Trust Company) can also serve as a fiduciary, acting as trustee on your behalf. As a faith-based organization, Everence will respect and honor your values in carrying out your trust.

Beneficiary services: If you have life insurance policies or financial accounts (banking, savings, retirement or investment) with Everence, we can help you establish and regularly update your beneficiaries of those accounts.

For more information about these services, contact your Everence representative, visit Everence.com or call (800) 348-7468.

Getting started: questions to ask yourself about individuals or institutions you name as decision makers

- Who do I trust to manage my financial affairs?
- Who do I want to make medical decisions for me?
- Who would do a good job as executor of my will?
- If I create a trust, who can manage it as trustee?
- To whom do I want to leave my money and other possessions? (They are your beneficiaries.)

Information provided is for educational purposes only and should not be considered as offering specific tax, legal or investment advice. State laws vary. Please consult your legal advisor about your individual end-of-life decisions.



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