


**Government of the District of Columbia**  
**Department of Insurance, Securities and Banking**



**William P. White**  
**Commissioner**

**BULLETIN**  
**11-BB- 29-11/16**

TO: All Banks, Thrifts, Insurance Producers, Premium Finance Companies, Broker-Dealers, Investment Advisers and other Financial Managers with a Physical Presence in the District of Columbia

FROM: William P. White, Commissioner 

RE: Reporting Requirements for Banks and other Financial Managers under the Adult Protective Services Act

DATE: November 16, 2011

This Bulletin is issued to provide information about the reporting rules that apply to all Banks, Thrifts, Insurance Producers, Premium Finance Companies, Broker-Dealers, Investment Advisers and other financial managers with a physical presence in the District of Columbia; and to remind bank managers and financial managers of the legal requirement imposed on them, in accordance with the Adult Protective Services Act of 1984, as amended effective March 14, 1985 (D.C. Law 5-156, D.C. Official Code § 7-1901 *et seq.* (“Act”)).

The Act imposes a **legal obligation** on bank managers and financial managers to report situations in which they believe that an adult residing in the District of Columbia is in need of protective services because of abuse, neglect, or exploitation. Specifically, the Act provides:

[W]henever a ... bank manager [or] financial manager has as a result of his or her appointment, employment, or practice substantial cause to believe that an adult is in need of protective services because of abuse, neglect, or exploitation by another, he or she shall immediately report this belief...<sup>1</sup>

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<sup>1</sup>See D.C. Official Code § 7-1903(a)(1).

Bank managers and financial managers are therefore considered “mandated reporters” under the Act. Failure to report may result in a misdemeanor and a fine of up to three hundred dollars (\$300).<sup>2</sup>

### Adult in Need of Protective Services

Under the Act, an “adult in need of protective services” is an individual 18 years of age or older who meets the following three criteria: (1) He or she is highly vulnerable to abuse, neglect, self-neglect, or exploitation because of a physical or mental impairment, self-neglect, or incapacity; (2) He or she has recently been or is being abused, neglected, or exploited by another or has failed to perform essential self-care tasks because of dementia or another mental or physical impairment; and (3) He or she has no one willing and able to provide adequate protection.<sup>3</sup>

### How to Make a Report

Reports shall be made to the District of Columbia Department of Human Services (“DHS”), Adult Protective Services Division (“APS”). “Mandated reporters,” such as bank managers and financial managers, should identify themselves, with the knowledge that reports made to APS are deemed confidential and the identity of the reporter is protected.<sup>4</sup> Reports can be either oral or written and should include as much of the following information as possible:

- The name, age, physical description, and location of the adult who is alleged to be in need of protective services;
- The name and location of the person(s) suspected of being responsible for the abuse, neglect, or exploitation (unless self-neglect);
- The nature and extent of the abuse, neglect, self-neglect, or exploitation;
- The basis of the reporter's knowledge; and
- Any other information that the reporter believes might be helpful to the investigation.

A report to APS should be made if the bank manager or financial manager has substantial reason to believe that a vulnerable adult is being abused, neglected, or exploited, *even if* all of the information listed above is not available. Reports can be made by calling the Adult Protective Services hotline at (202) 541-3950. A written report can be submitted to APS by fax at (202) 541-3964. A report to APS will initiate a confidential investigation to determine if protective services are needed to protect the vulnerable adult.<sup>5</sup>

A mandated reporter who makes a report to APS has qualified immunity and “shall be

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<sup>2</sup>See D.C. Official Code § 7-1912(a)(1).

<sup>3</sup>See D.C. Official Code §§7-1901(2)(A) and 7-1901(13)(A).

<sup>4</sup>See D.C. Official Code §7-1903(d).

<sup>5</sup>See D.C. Official Code § 7-1904.

immune from civil or criminal liability for so reporting if he, she, or it has acted in good faith.”<sup>6</sup>

### Unique Role of the Financial Services Industry

According to publications issued by the Financial Services Roundtable and the Department of Treasury Financial Crimes Enforcement Network, financial institutions such as banks and thrifts are uniquely positioned to assist in detecting and preventing financial fraud and exploitation of the elderly and vulnerable. Signs of financial exploitation include, but are not limited to:

- Sudden changes in accounts or practices, such as unexplained withdrawals of large sums of money, particularly with a vulnerable adult who is escorted by another (e.g., caregiver, family member, “friend”) who appears to be directing the changing activity patterns;
- Recent changes in authorized signers on a vulnerable adult's financial institution signature card, particularly additions;
- Withdrawals of funds using an ATM card, particularly repetitive withdrawals over a short period, inconsistent with prior usage patterns or at times or on days that appear unlikely to have been done by the customer (e.g., late night or very early morning withdrawals by elderly customers, withdrawals at ATMs in distant parts of town by customers who do not drive, or use of an ATM card which was only recently ordered coincident with the addition of a new authorized signer);
- Abrupt changes in a will or other financial documents;
- Unexplained disappearance of funds or valuable possessions;
- Discovery of a vulnerable adult's signature being forged for financial transactions or for the titles to his or her possessions;
- Vulnerable adult has a companion who seems to be “calling the shots;”and
- Unexplained sudden transfer of assets, particularly real property, to a family member or someone outside the family.<sup>7</sup>

### Additional Information

If you have any questions, or require additional information, please contact **Dr. Sheila Jones, Chief, APS** by telephone at **(202) 299-2155**, by fax at **(202) 478-9191**, or by email at [\*\*sheilay.jones@dc.gov\*\*](mailto:sheilay.jones@dc.gov).

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<sup>6</sup>See D.C. Official Code §7-1908.

<sup>7</sup>See *Elderly and Vulnerable from Financial Fraud and Exploitation*, April 2010, <http://www.bits.org/publications/> and *Financial Institutions on Filing Suspicious Activity Reports Regarding Elder Financial Exploitation Advisory*, February 22, 2011, [http://www.fincen.gov/statutes\\_regs/guidance/pdf/fin-2011-a003.pdf](http://www.fincen.gov/statutes_regs/guidance/pdf/fin-2011-a003.pdf)