THE FIDUCIARY INSTITUTE
*Guiding Fiduciaries to Excellence*

# Professional Fiduciary Roles Overview

## What Allied Professionals Need to Know

*Allied professionals across disciplines are often among the first to notice when a client's needs extend beyond the support they can provide alone. This overview introduces the role of professional fiduciaries, the situations they support, and the formal roles they serve, so professionals can recognize when additional structure, authority, or protection may be helpful.*

*This handout is for awareness and referral clarity, not to assess capacity or provide legal advice.*

## What Is a Professional Fiduciary?

A professional fiduciary is an individual legally authorized to act on behalf of another person when decision-making, oversight, or management of personal, financial, or legal matters requires formal authority and accountability.

Professional fiduciaries:

- Are appointed by a court or legally designated through documents (such as a trust or power of attorney)
- Act under state law and ethical standards
- Are accountable to courts, agencies, or governing documents
- Focus on protecting the person's rights, safety, preferences, and best interests
- In guardianship and conservatorship matters, always seek the least restrictive alternative, supporting independence wherever possible

> **Important distinction**
>
> Professional fiduciaries are different from financial fiduciaries. While financial fiduciaries manage investments, professional fiduciaries manage the whole person's situation, often during periods of vulnerability, incapacity, or complexity.

## Types of Clients Professional Fiduciaries Support

Professional fiduciaries work with a wide range of individuals and families, including:

- Older adults experiencing cognitive decline (e.g., dementia, Alzheimer's)
- Adults with intellectual or developmental disabilities (IDD)
- Individuals with traumatic brain injury (TBI)
- Adults with serious mental illness
- Minors without available or appropriate guardians
- Solo agers with no nearby or appropriate family support
- Individuals facing complex family conflict or exploitation risk
- People who planned ahead and named a professional fiduciary proactively

Fiduciary involvement does not always mean loss of independence. It often means added protection, structure, and advocacy.

## Professional Fiduciary Roles

- **Guardian:** Personal and healthcare decision-making authority, court-appointed
- **Conservator:** Financial and property management authority, court-appointed
- **Trustee:** Administers trusts per the governing document; may or may not involve court oversight
- **Estate Administrator (also called personal representative or executor):** Administers the closing of an estate, including asset marshaling, debt resolution, and distribution to beneficiaries, whether through probate or outside of it
- **Agent under Power of Attorney:** Acts for the principal per the POA document; no court involvement unless challenged
- **Representative Payee / VA Fiduciary:** Manages government benefits on behalf of a beneficiary. Although not traditionally classified as a professional fiduciary role, its responsibilities, accountability standards, and reporting requirements closely mirror those of a fiduciary, and many professional fiduciaries serve in this capacity alongside their other roles.

## Questions to Ask Yourself as an Allied Professional

- Is this client being asked to make decisions they may not fully understand?
- Is there growing risk without clear authority?

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- Would added structure or oversight protect this client long-term?

When the answer is yes, a professional fiduciary may be part of the solution.

## About The Fiduciary Institute

The Fiduciary Institute is a national, standards-driven organization that integrates training, tools, community, and research into a unified ecosystem for professional fiduciaries. The resources on this page are grounded in The Fiduciary Method™, our proprietary framework for structured, defensible decision making.

Learn more at www.thefiduciaryinstitute.com