

**MANUAL SUPPLEMENTING
GUARDIANSHIP
AND
CONSERVATORSHIP
VIDEO**

Contact Information for questions or
to obtain a copy of the DVD:

Michigan Guardianship Association
www.michiganguardianship.org

DISCLAIMER

This manual is not intended to provide legal advice.

You should always consult the court in the county where your ward's file is located regarding local court procedures.

If you have any questions concerning specific issues of Guardianship or Conservatorship, please consult your own attorney or a lawyer referral service.

The opinions expressed herein should not be construed as representing the opinion or policy of any agency of the United States or Michigan governments or other agencies participating in the production of this program.

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Chapter I – General Information

A. Duties and Responsibilities – The duties and responsibilities of a fiduciary are imposed on you when you accept this important trust. This information is not intended to advise you of your responsibilities as fiduciary. **You should consult with your attorney or, if not represented by an attorney, take it upon yourself to become fully aware of your responsibilities as a fiduciary.**

B. Fiduciary – Guardians and conservators are particular types of “fiduciaries.” The word “fiduciary” is a derivative from the Latin word “fides” meaning faith, honest, or honor. A fiduciary has a duty to act primarily for the benefit of another. The individual who is legally incapacitated, a protected individual, or the individual with developmental disabilities is called the “ward.”

C. Acceptance of Appointment – A conservator or guardian, guardian of the person or guardian of the estate who has been appointed by the court must file an *Acceptance of Appointment* ([PC571](#)) to indicate willingness to accept the responsibility.

D. Bond of Fiduciary – A conservator or guardian of the estate has certain duties and responsibilities. One of the responsibilities is to protect the assets of the protected individual. To make sure the assets are protected, the court may require the purchase of a bond. A bond is normally issued by an insurance company. The insurance company promises to reimburse the ward’s estate if the fiduciary fails to protect the assets or takes the assets without the prior approval of the court. The amount of the bond will vary according to the value of the ward’s assets and any restrictions the court places on the fiduciary’s ability to sell or transfer the assets. Once the court orders a bond, the fiduciary contacts an insurance company and purchases a surety bond in the amount ordered by the court. The surety bond is then filed with the court.

E. Annual Report of Guardian – At least once every year, a guardian must prepare an *Annual Report of Guardian on Condition of Incapacitated Individual* ([PC634](#)) or *Report of Guardian on Condition of Individual with Developmental Disability* ([PC663](#)), a report on the condition of the ward and the condition of the ward’s estate, which is subject to the guardian’s possession or control. If the report is not received by the court each year, within 56 days following the anniversary date of the appointment, the guardian is considered delinquent and subject to serious court action. However, the court cannot receive the report more than 56 days prior to the anniversary date. The “anniversary date” is the month and day

the judge signed the *Letters of Guardianship* ([PC633](#)) or *Letters of Guardianship of Individual with Developmental Disability* ([PC662](#)).

F. Inventory – The *Inventory* ([PC577](#)) is a list of the assets in an estate. A conservator or guardian of the estate must file an *Inventory* within 56 days from the date of the *Letters of Conservatorship* ([PC645](#)) or *Letters of Guardianship of Individual with Developmental Disability* ([PC662](#)). **NOTE:** Property the protected person owns jointly or in common with others must be listed on the *Inventory* along with the type of ownership.

G. Taking Possession of Assets – A conservator or guardian of the estate should gather and secure all assets of the ward as soon as appointed by the probate court. It is often important to move quickly to make sure individuals that may be exploiting the ward are not able to access the ward's assets or that the ward does not remove assets that could be wasted. Upon the fiduciary's appointment, the court has made the determination that the ward is unable to manage his or her affairs, so the fiduciary must be prepared to begin securing all assets immediately.

A fiduciary should locate all bank accounts and transfer the accounts into the name of the Conservatorship or Guardian of the Estate. Reviewing old statements of the ward will assist in locating any bank accounts, brokerage accounts, annuities, or life insurance policies with a cash value. Often the ward has a safe deposit box that contains important information that may be helpful in locating assets. The fiduciary should locate any real estate in the name of the protected individual. It may be necessary to determine whether to leave the property vacant, rent the property, or allow individuals to live in the home in lieu of the property remaining vacant until the ward can return or the property is sold. Sometimes this involves evicting individuals, which may require legal assistance if the individuals refuse to leave the premises. Whether the property is occupied or vacant, it is important to keep the property insured.

The fiduciary may need to decide what to do with the contents of a house if the ward is moved to another location. An important factor that should always be considered in making a determination as to whether to store or sell personal property is whether the ward may recover and return to the home and want his or her personal possessions or whether it is unlikely the ward will ever be able to return home. If the decision is to sell the contents of the home, be sure to check with the ward and allow him or her to keep the personal items that have special meaning and that he or she can keep at their new location.

When securing the personal property of a ward who has lived in a home for many years, it is important to thoroughly search the house for cash and other valuable items or documents that may be hidden in objects considered of little or no value.

The fiduciary will need to determine what vehicles the ward may own and whether he or she will be allowed to continue driving. The Secretary of State may be helpful in making this determination without the fault being placed on the fiduciary who may be trying to maintain a positive relationship with the ward.

A fiduciary will need to determine what income the protected individual receives and to which he or she may be entitled. This may include Social Security benefits, veteran's benefits, tax refunds, land contract payments, interest, dividends, Medicare payments, and rent and/or lease payments. Any income will need to be directed into accounts under the control of the fiduciary.

A fiduciary should determine whether any prepaid funeral arrangements exist.

H. Setting up a restricted account – The Probate Court may require money to be placed into a restricted account. The Order Appointing Conservator ([PC640](#)), the Letters of Conservatorship ([PC645](#)), and the Letters of Guardianship of Individual with Developmental Disabilities ([PC 662](#)) will have language directing the assets be placed in a restricted account if this is a requirement.

If a restricted account is ordered by the court, as soon as the funds are received by the conservator they should be placed into a restricted account entitled: “Mary Doe, Conservator of John Doe” if John Doe is a protected individual or “Mary Doe, Guardian of the Estate of John Doe” if John Doe is a developmentally disabled individual.

The court may require the conservator to file *Annual Accounts* ([PC583](#) or [PC584](#)) and/or a *Proof of Restricted Account and Annual Verification of Funds on Deposit* ([PC669](#)). If annual accounts are required to be filed, the court may also require that a hearing be scheduled yearly or as determined by the court. If a hearing is scheduled to allow (approve) the account, interested persons are to receive notice of the hearing unless a *Waiver/Consent* ([PC561](#)) is on file for each interested person specifically waiving their right to notice of the hearing to allow the account and consenting to the allowance of the account by the court.

I. Accounts – A conservator or guardian of the estate must complete an itemized *Account of Fiduciary* ([PC583](#) or [PC584](#)) at least once every year. The accounting

must show all receipts, disbursements, and sales of assets during the accounting period. It will also show the property remaining in the hands of the fiduciary at the end of the accounting period. An account summary or statement from the financial institution covering the account ending date must be presented to the court. If this accounting is not received by the court each year, within 56 days following the anniversary date of the appointment, the fiduciary is considered delinquent and subject to serious court action. The “anniversary date” is the month and day the judge signed the *Letters of Conservatorship* ([PC645](#)) or *Letters of Guardianship of Individual with Developmental Disability* ([PC662](#)), unless otherwise set by the court.

J. Final Accounts – When the estate is ready to be closed, the conservator or guardian of the estate must file a *Final Account* ([PC583](#) or [PC584](#)), which includes an itemized and complete list of all of the remaining assets of the ward. It must also have attached an account summary or statement from any financial institution listed on the account, which covers the ending date. If the ward dies, a final account must be filed within 56 days of the date of death.

K. Service of Documents – Copies of the *Inventory* ([PC577](#)) and *Account(s)* ([PC583](#) or [PC584](#)) must be sent to all interested persons. The original is to be filed with the court, along with a *Proof of Service* ([PC564](#)).

The “interested persons” are defined by court rule and include:

- 1) The protected individual or ward, if 14 years of age or older and can be located;
- 2) The presumptive heirs of the protected individual:
 - a) Spouse and children of the individual;
 - b) If any of the children of the individual predeceased the ward, then the children of the predeceased child;
 - c) If there are no surviving children or spouse of the individual, then:
 - i. Parents of the individual;
 - ii. Brothers and sisters of the individual;
 - iii. If any of the brothers and sisters predeceased the ward, then the children of the predeceased sibling;
 - iv. Other heirs of the ward;
- 4) Any entity that has filed a claim and has not been paid;
- 5) Additional interested persons required by law or court rule.

L. Record Keeping – A fiduciary must keep a record of all income and expenses of the ward. The simplest way to keep good records is to write all transactions in a check register. Be sure to fully and legibly describe all income such as Social

Security payments and expenses such as nursing home costs. Also, the fiduciary must keep copies of all bank statements, canceled checks, and receipts. The checking account must be balanced every month. If a bank does not provide copies of canceled checks, the fiduciary should find a bank that will. If a fiduciary does not write a check for an expense, the fiduciary should get a receipt. In general, a fiduciary should never use cash to pay for an expense of the ward. If paying with cash is unavoidable, be sure to obtain adequate documentation to verify the payment was made, including to whom the payment was made, the amount of the payment, and the service or product obtained with the payment. If the payment is a cash allowance given to the ward, have the ward sign a dated receipt if the ward is able to sign.

Another way to keep good records is to use a computer program to keep track of all receipts and expenses. Although using a computer program may be more difficult initially, the annual account is much easier to complete, as the information is readily available.

M. Prudent Investor – If the ward’s assets and income are sufficient to pay existing debts and to provide for his or her current needs, a fiduciary may invest or reinvest any excess assets or income. When investing, a fiduciary must exercise reasonable care, skill, and caution, balancing the risk and return of all investments. In many cases, this will require the fiduciary to diversify the investments – for example, investing in a mix of stocks, bonds, and mutual funds. The fiduciary must focus on the purpose of the conservatorship or guardianship of the estate and the ward’s future needs. A fiduciary may hire an investment counselor or financial planner to assist him or her; however, reasonable care, skill, and caution must be used in selecting the counselor or planner and in reviewing the counselor’s or planner’s investment advice and decisions. Hiring an investment advisor does not relieve the fiduciary of the duty to oversee the investments.

N. Allowable Expenses of the Ward’s Estate – A fiduciary has broad authority to determine the appropriate level and payment of support, education, care, and benefit to the ward or a ward’s dependent. This is always subject to court approval.

A fiduciary may pay money to a person, including the ward, to reimburse for an expense that might have been made by a fiduciary or in advance for a service performed for the ward if it is reasonable to expect the service will be performed and an advance payment is reasonable under the circumstances. MCL 700.5425.

If the estate is sufficient to provide for these distributions, the fiduciary may make gifts that do not exceed, in total for any year, 20 percent of the estate's annual income to charity and others that the ward might have been expected to make. MCL 700.5426.

Self-reliance of the ward should be encouraged. This may involve the ward being allowed to handle small sums of money. With court authorization, the ward may be allowed to handle part of his or her money. MCL 700.5407.

A fiduciary is responsible for the reasonable compensation for services performed by a visitor, guardian ad litem, attorney, physician, conservator, or special conservator appointed by the court. MCL 700.5413. (A visitor is defined as an individual appointed by the court who is trained in law, nursing, or social work, is an officer, employee, or special appointee of the court, and has no personal interest in the proceeding.)

A fiduciary should set up a checking account to pay the bills of the ward. Records should be kept of all expenses paid by the fiduciary for the ward in case any of the payments are questioned by the interested persons, the court, or the guardian ad litem. A fiduciary may pay claims against the ward arising before or during the conservatorship or guardianship upon the presentation of the claim, which may be mailed to the fiduciary, or a Statement and Proof of Claim ([PC579](#)) may be sent to the probate court and a copy delivered to the fiduciary. If the fiduciary determines that the claim is valid and there are sufficient funds available, the claim may be paid.

Sometimes a fiduciary must consider spending down the ward's funds by purchasing exempt assets so that the individual will qualify for government entitlements. You should seek advice from an attorney before doing this. Federal and state laws are involved, and this is a very complicated process.

O. Conflicts of Interest – A fiduciary must manage and invest the ward's assets only to benefit the ward, not the fiduciary. A fiduciary must not personally profit from the purchase, sale, or transfer of the ward's property. Examples of actions a fiduciary **must not do** without prior court approval are:

- Deposit the ward's money in an account containing the fiduciary's money;
- Loan the ward's money to the fiduciary or another individual;
- Sell anything to or buy anything from the ward;
- Charge the ward or pay the ward rent or room and board; or

- Invest the ward's money in any enterprise the fiduciary or his or her family has a financial interest.

P. Standards of Conduct – Fiduciaries are held to the strictest standards of conduct. If you have a question on whether your proposed action is lawful, you are advised to contact an attorney for legal advice.

Q. Filing on Time – You have a strict obligation to file reports, inventories, and accountings on time. Failure to do so can result in your removal as a fiduciary and subject you to a contempt of court action.

R. Commingling of Funds – A fiduciary is absolutely forbidden from commingling (joining) his or her own money or property together with the ward's money or property. The most common violation is creation of joint accounts.

WARNING: If accounts are jointly owned at the time of your appointment, you should seek legal advice before you make any change to the account.

S. Negligence in Handling the Estate – A fiduciary must handle the ward's assets with the greatest care. A fiduciary can be held personally liable for failure in this duty. For example, if the fiduciary forgets to pay property insurance or fails to insure the property and the house burns down, the court may hold the fiduciary liable for the loss.

T. Tax Returns – The estate might be required to file certain tax returns. It is the fiduciary's duty to file these returns. Therefore, as soon as you are appointed and regularly thereafter, you should determine whether or not you must file tax returns.

U. Reminder Notices – It is your responsibility as fiduciary to obtain any necessary forms for filing with the probate court. However, the probate court in the county where your guardianship or conservatorship is located **may** send reminder notices prior to the due date along with the appropriate forms to be completed and returned to the probate court. You may want to check with your court to find out the policy. If your court does send the reminder notices to you, this does not relieve you as the fiduciary from your responsibility to know what forms and when to file them with the court. Forms can be obtained online at the Michigan Supreme Court's website at <http://courts.michigan.gov/scao/courtforms>.

V. Death of Ward – When an individual who is subject to a guardianship or conservatorship dies, the guardian or plenary/partial guardian of the estate must give written notification to the court within 14 days of the individual's date of

death. When accounts are required to be filed with the court, a final account must be filed within 56 days of the date of death.

W. Government Benefits – A fiduciary may need to apply for government benefits for the ward. The fiduciary should always consider whether such benefits might be available to the ward and pursue eligibility where possible and where it would provide a needed benefit to the ward. These government benefits may include benefits that are available through the Social Security Administration, benefits available through the Veterans Administration, and health insurance benefits such as Medicare and Medicaid. The type of benefits available will depend on several factors such as the age, health, and financial status of the ward.

X. Possible Court Action For Non-Compliance – Court rules which govern actions for fiduciaries that are delinquent in performing their duties are MCR 5.203 and MCR 5.144. Based on the court rules, the action which may be taken by a probate court whenever a conservator or guardian of the estate is delinquent is as follows:

1. Notice of Deficiency – sent to fiduciary, attorney, and surety.
 - A. The court may set a conference to correct the deficiency.
 - If the conference is held, a *Memorandum of Conference to Correct Deficiency* ([PC601](#)) must be given to those present at the conference and mailed to the fiduciary if the fiduciary is not present.
 - The court may allow up to 28 days from the date of the conference to correct the deficiency.
 - B. If no conference is set, the court may allow 28 days for the fiduciary to correct the deficiency.
2. The court may grant a 28-day extension for good cause. Most courts require a written request stating the reasons the extension is requested.
3. Suspension of Fiduciary – if a fiduciary fails to correct a deficiency within the time allowed:
 - The notice of suspension is sent to the fiduciary, attorney, surety, and interested persons.

- The court may appoint a special fiduciary to investigate, report to the court, or take any other action requested by the court, up to and including filing a petition to have someone else appointed as conservator or guardian.
4. Administrative Closing – The court may administratively close a file if no action is taken by the fiduciary or any other interested person within 28 days of the suspension of the fiduciary. If a file is administratively closed, the fiduciary **is not** discharged or relieved from liability.

Y. Modification or Termination of Conservatorship or Guardianship – The ward, the fiduciary, or another interested person can petition to modify or end the conservatorship or guardianship. A petition to modify may involve a change in the powers of the fiduciary or removal of the fiduciary and replacing with another person or agency. A petition to terminate a conservatorship or guardianship may be filed for the reason that the ward can now handle his or her own affairs or the ward has moved out of state. Before a conservator or guardian of the estate can be discharged, the conservator or guardian of the estate must file and obtain court approval of a final account and give proof to the court that the assets have been properly transferred, if an account is required.

Z. Where to Go For Help – Conservatorship and Guardianship proceedings can be complicated. While there is no requirement that a party be represented by an attorney, most people find attorneys to be very helpful. A good starting point for basic questions are pamphlets published by the Michigan State Court Administrative Office called “*What You Need to Know Before Filing a Petition to Appoint a Conservator*” ([PC667](#)) and “*What You Need to Know Before Filing a Petition to Appoint a Guardian for an Incapacitated Adult*” ([PC666](#)).

To locate an attorney to answer questions:

1. Contact the local bar association. Bar associations are organized throughout Michigan by county or by city and can be found in the telephone book or on the Internet. Most bar associations provide some form of referral service to connect individuals with an attorney who specializes in handling conservatorship or guardianship cases.
2. The Michigan Supreme Court’s website, www.courts.michigan.gov, provides links to several lawyer locator services, including the American Bar

Association at www.abanet.org/legalservices/lris/directory, Attorney Find at www.attorneyfind.com, and Martindale Hubbell at www.martindale.com.

3. Contact the local probate court to see if it distributes a list of attorneys who are knowledgeable about conservatorship and guardianship cases. Legal service clinics may be available in some courts. Contact the local bar association or probate court for further information.

To get information about a conservatorship or guardianship so you can represent yourself:

1. Contact the local probate court about the availability of training programs for fiduciaries.
2. A website for answers to frequently asked guardianship and conservatorship questions is <http://comnet.org/detroitdernet/private/answers/legal/guardian.htm>. This site also addresses the differences between a guardianship and a conservatorship.
3. A section of the website for the Michigan Supreme Court compiles all of the forms that are used in guardianship and conservatorship proceedings. These forms may be filled in online and printed or printed blank to be completed by hand or with a typewriter. The forms cannot be filled in online and saved. This link is <http://www.courts.michigan.gov/scao/courtforms/>.
4. Many probate courts operate websites with useful information. The following are links to a few of them:

<http://www.co.oakland.mi.us/probate/faq/conservatorship.html>
http://www.ioniacounty.org/Probate/Probate_whatwedo.asp#pcj
<http://www.wcpc.us/services/minorgc.HTM>
<http://courts.co.calhoun.mi.us/probate.htm>
<http://www.kalcounty.com/courts/probate/>

Chapter II – Instructions for Completing Forms

A. Forms – Different forms are available at the probate court for your use in fulfilling your reporting obligations. The forms must be typed or printed in blue or black ink. Do not use pencil or other colors of ink. (Check with your probate court. Some courts only allow black ink.) Always verify that you are using the most current form by either contacting the court or going to Michigan Supreme Court’s website located at <http://courts.michigan.gov/scao/courtforms>. If you access your form on the Supreme Court’s website, you can fill the form in online and print it; however, you cannot save the form.

B. Completing Annual Report on Condition of Legally Incapacitated

Individual (PC634) – The Annual Report on Condition of Legally Incapacitated Individual must be filed with the court. Guardianship files will always have the case type of **GA** or **GL**. Refer to the documents that you received from the court where the file is located for the case number. Often, the guardian will also be the conservator for the ward. The conservatorship case will contain a different case type code. Only the guardianship file number will need to be entered on the report form. Enter the name of the ward and the name of the fiduciary exactly as it appears on the guardian’s *Letters of Guardianship*. Enter the reporting period beginning date and ending date. If you are unsure of what dates to use, contact the probate court where your file is located. Enter the age, birth date, complete address, and telephone number of the ward (not the guardian). **NOTE: As guardian, you MUST notify the court within 14 days of a change of address in the ward’s place of residence. Do not wait until you file your annual report.** If you check that the ward resides in a “relative’s home,” be sure to enter the relationship of that person to the ward in the space provided. If you check “other,” be sure to provide an explanation in the space provided. Also provide the date the ward moved to his or her present address. If the move took place since the last annual report, you must provide the reason the ward was moved. You must rate the living arrangements and explain your answer. You also need to provide your opinion whether you believe the ward is content with his or her living arrangements. You can recommend a more suitable living arrangement for the ward if you feel it is in the ward’s best interest.

You need to inform the court of the ward’s current physical condition and any changes since your last report. Explain any change. Provide a record of medical and dental care received by the ward since your last report. Be specific as to the nature of the ward’s problem and the type of treatment received. When you enter the name of the health-care provider, be sure to include the first and last names.

You need to inform the court of the ward's current mental condition along with any change since the last report. Explain any changes. Let the court know whether the ward received treatment or an evaluation by a psychiatrist, psychologist, or social worker since your last report.

You also need to inform the court of the ward's current social condition and any changes since the last report. If that condition has improved or worsened, explain the change. Inform the court of the types of social activities the ward engaged in during the previous year. List your visits with the ward during the report period. For example: you may have visited the ward 20 times in the ward's home and had 15 visits where the ward came to your home. Provide the average length of your visits and the date of your last visit. **NOTE: You MUST visit the ward within 3 months of your appointment and at least once every 3 months after each previous visit.**

Explain to the court any actions you have taken on behalf of the ward. Describe decisions you made after consulting with the ward. Inform the court of any unmet needs of the ward and explain how you believe they can be met. If there are none, then the space on the form can be left blank.

If you are required to file an annual account with the court, please attach the account to this report.

Once the report is completed, sign the report and provide your current home address (**not a post office box**) and telephone number, including area code. If you work outside the home during the day, please include a number where you can be reached during court hours.

NOTE: A fiduciary MUST keep the court and interested persons informed in writing within 7 days of any change in the fiduciary's address.

NOTE: Where co-guardians have been appointed, each must sign and complete the address and telephone number section of forms.

C. Completing Report of Guardian on Condition of Individual with Developmental Disability (PC663) – Always verify that you are using the most current form by either contacting the court or going to the Supreme Court's website at <http://courts.michigan.gov/scao/courtforms>.

Enter the file number for the case, which will have the case type code of **DD**. Refer to the documents you received from the court where the file is located for the case number. In many cases, the guardian of the person is also the guardian of the estate for the ward, and that particular case may have two case files and two file numbers depending upon the court where the file is located. Only the guardian of the person file number ending with **DD** will need to be entered on the report form.

Enter the name of the ward and guardian exactly as it appears on the Letters of Guardianship of Individual with Developmental Disability. Enter the beginning and ending date of the report. If you are unsure of what dates to use, contact the probate court where your file is located. Enter the ward's age, date of birth, address, and telephone number. **NOTE: As guardian of the person, you MUST notify the court within 14 days of a change of address in the ward's place of residence. Do not wait until you file your annual report.** If the ward resides with a relative, indicate this on the report along with the relationship to the ward. If you check "other," be sure to provide an explanation in the space provided. Provide the date the ward moved to his or her present address. If the ward has moved one or more times during the reporting period, you must enter the following information in the space provided: the address of each place the ward resided during the reporting period, a description of each place the ward resided, and the length of time the ward resided at each location. Rate the ward's present living arrangements, and provide the reason for your rating. If you believe the ward is unhappy with the current living arrangements, please provide a reason the ward is unhappy along with a recommendation for a more suitable arrangement.

You need to inform the court regarding the ward's physical, mental, and social condition. If there has been any change during the report period, indicate the changes. Provide a list of all the medical, educational, vocational, or other professional services the ward received, including a brief description of the services.

You should keep a log of visits with the ward that includes dates of the visits and descriptions of the activities shared by you and the ward. When you prepare the annual report, you can consult the log and enter in the space provided the approximate frequency of visits to the ward and the general type of activities you shared.

List all of the ward's unmet needs, even if it may not be possible or feasible to meet certain needs. If all of the needs are being met, this space may be left blank.

Be honest about your questions and concerns regarding the ward or your responsibilities. Your problem may be one that is easily solved by a referral to one of many available community service organizations. If it is a more difficult problem, the court can determine a course of assistance.

If the court requested you to provide specific information, or if there is information you feel necessary to provide, it should be entered on the report. If not, write “none.”

Provide the court with your opinion as to whether you believe the guardianship should be continued. You must give reasons for your recommendation in the space provided.

If you have been ordered to file an annual account, it should be attached to this report.

Be sure to date and sign the report. Include your current address (**not a post office box**) and telephone number. If you work, please provide a telephone number where you can be reached during court hours.

NOTE: A fiduciary MUST keep the court and interested persons informed in writing within 7 days of any change in the fiduciary’s address.

NOTE: Where co-guardians have been appointed, each must sign the form and complete the address and telephone number section. If a standby guardian has been appointed, the Statement by Standby Guardian must be signed and dated by the standby guardian.

D. Completing the Inventory (PC577) – The Inventory must be filed with the court within 56 days after appointment. Always verify that you are using the current updated form by either contacting the court or going to the Supreme Court’s website at <http://courts.michigan.gov/scao/courtforms>.

Enter the file number on the form. For a protected individual, the case type code will be **CA** for conservatorship files. For developmentally disabled individuals, the case type code is **DD**. Refer to the documents that you have received from the court where the file is located for the case number.

Enter the name of the case and the name and title of the fiduciary exactly as it appears on your Letters of Conservatorship or Letters of Guardianship of Individual with Developmental Disability. You will check the box noted as “date of qualification as fiduciary (all other estates).” (The first box is not applicable because it is only for a decedent estate.)

List all personal property and real estate owned by the ward. Real estate refers to land and all permanent fixtures attached to the land such as a house or building. Personal property refers to everything else that is owned by the ward. You will also need to list any encumbrances or liens on the property (this does not include credit card debt). Provide the nature and amount of the lien. If you have a question whether a debt is an encumbrance or how to classify an asset, please contact an attorney.

For real estate, include the legal description of the property and the name of any other owner and their type of ownership (such as joint tenant, tenant in common, husband and wife, tenant by the entirety, and whether there is a right of survivorship.) If the value is determined by an appraisal, include the name and address of the appraiser.

For personal property, provide enough detail to adequately determine the value. Some items should be listed separately and some can be grouped together under one category. **Automobiles** (Include the make, model and VIN along with an appraisal or NADA Blue Book value. If there is a lien against the automobile, include the name of the lender and the balance of the loan. The value reported should be the difference between the market value and the loan.), **jewelry, bank accounts, antiques, furniture, or any other item of high value** (such as a fur coat) should be listed separately. Household items, such as dishes, flatware, curtains, linens, utensils, clothing, and furnishings, can be grouped into several categories or combined into one category. You can also group together multiple copies of a specific item that have the same value such as stocks and bonds. You should obtain an appraisal for valuable items. Also include **insurance policies** that have a cash surrender value (include name of insurance company, policy number, and surrender value).

Date and sign the form. If there is an attorney representing the fiduciary, the attorney must also sign. Include all information requested. If the fiduciary works outside the home during the day, please include a telephone number where he or she can be reached during court hours.

E. Completing the Account of Fiduciary (PC583 or PC584) There are two forms available for your use in preparing and filing the *Account*. Review the forms closely to choose the one that will be most appropriate for the type of activity for which you must account. Always verify that you are using the most current form by either contacting the court or going to the Supreme Court's website at <http://courts.michigan.gov/scao/courtforms>.

Your annual accounting can be made much simpler if you keep accurate records throughout the year. Keep all receipts in case there are questions regarding your accounting. There is not a specific time period that you must keep receipts, but there may be questions that arise anytime during the conservatorship and even after the conservatorship concerning issues such as taxes.

Completing Account of Fiduciary, Short Form (PC583)

Be sure to check the appropriate box indicating whether this is an annual account (note the number such as 1st, 2nd, etc.), final account, or interim account (if ordered by the court). Enter the case number. For a protected individual in a conservatorship file the case type will be **CA**. For developmentally disabled individuals the case type is **DD**. Refer to the documents that you have received from the court where the file is located for the full case number. Enter the name of the ward and the name and title of the fiduciary as they appear on your Letters of Conservatorship or Letters of Guardianship of Individual with Developmental Disability.

If this is a First Annual Account, the first date will be the date on the fiduciary's Letters of Conservatorship or Letters of Guardianship of Individual with Developmental Disability, and the second date will be one calendar year later. If this is a second or subsequent Annual Account, the first date will be the day after the final date from the previous Annual Account, and the second date will be any date within the subsequent calendar year. As the fiduciary, you are able to change this date to a time that is more convenient, such as the ending date of your bank statement. However, if you wish to change the date of the accounting period, you must notify the court in writing of the new dates. Under no circumstances can the accounting period exceed 12 months. Therefore, if you change the date, the first accounting period that includes the new dates will be a time period that is less than 12 months.

Under “Column 1. Income and Other Receipts,” summarize the income and other assets received during the accounting period. Enter the total of the receipts in the “Total” space.

Under “Column 2. Expenses and Other Disbursements,” summarize the disbursements (expenses) for the accounting period. Individual receipts for payment and/or canceled checks should be retained in your records. If there is a related person expense, this information needs to be disclosed on the account along with the description of the expense. Enter the total of the disbursements in the “Total” space.

To determine the balance of assets on hand at the end of the accounting period, you must enter: “(a) the balance on hand from last account” (or inventory value if this is the first annual account) and add that number to: “(b) Total Column 1 (Income and Other Receipts).” These two numbers combined will be entered as: “(c) Subtotal.” Then “(d) Enter Total Column 2 (Expenses and Other Disbursements)” and subtract from “(c) Subtotal.” This should leave you with: “(e) Balance of Assets on Hand.” This number should equal the “Itemized Assets Remaining at End of Accounting Period.” To get the “Itemized Assets Remaining at the End of Accounting Period,” list all assets that are still remaining from the Inventory or that were purchased or acquired during this accounting period. If there are any liquid assets (assets that are in cash form, such as bank accounts, certificates of deposit, or brokerage accounts), you must provide copies of the financial institution statement that covers the ending date of the accounting period to the court when filing the Account.

You are required to provide information regarding any interested person’s name and/or address if it has changed since the last account (or petition if this is the first account). If the interested persons and/or their addresses are the same as they appear on the petition used to start the proceedings or from your last account, you do not need to fill in this space.

If, for some reason, this account is not being filed with the court, check the appropriate box on the form.

Any fiduciary fees incurred during the accounting period must be listed on the account. The total amount of fees must be listed even if some or all of the fees have already been paid or approved by the court. An itemized invoice must be attached to the account, which includes the services performed, the time to perform

each service, and the amount charged for each service. This statement may also include out-of-pocket expenses.

Any attorney fees incurred during the accounting period must be listed on the account even if already paid or approved by the court. An itemized invoice of services performed, which includes the service performed, the time to perform each service, and the amount charged for each service is to be attached to the account.

Once the form is completed, the fiduciary, and attorney if the fiduciary is represented by an attorney, must sign the form, under penalty of perjury, that the information contained within the form is complete and accurate. Include all requested information. If the fiduciary works outside the home during the day, please include a telephone number where he or she can be reached during court hours. **Note: Where co-fiduciaries have been appointed, each must complete the address and telephone number section and sign the form.**

Note: A \$20 filing fee is required upon the filing of your account with the court.

Note: This form must be served on all interested persons and a *Proof of Service* ([PC564](#)) filed with the court.

Completing Account of Fiduciary, Long Form ([PC584](#)) – The long form contains the same information as the short form except that the long form contains a section on gains and losses from the sale or disposal of an asset. If you sell, dispose of, or change the form of an asset during the accounting period, you should use the long form.

Be sure to check the appropriate box indicating whether this is an annual account (note the number, such as 1st, 2nd, etc.), final account, or interim account (if ordered by the court). Enter the case number. For a protected individual in a conservatorship file, the case type will be **CA**. For developmentally disabled individuals, the case type is **DD**. Refer to the documents that you have received from the court where the file is located for the full case number. Enter the name of the ward and the name and title of the fiduciary as it appears on your Letters of Conservatorship or Letters of Guardianship of Individual with Developmental Disability.

If this is a First Annual Account, the first date will be the date on the fiduciary's Letters of Conservatorship or Letters of Guardianship of Individual with Developmental Disability, and the second date will be one calendar year later. If this is a second or subsequent Annual Account, the first date will be the day after the ending date from the previous Annual Account, and the second date will be any date within the subsequent calendar year. As the fiduciary, you are able to change this date to a time that is more convenient, such as the ending date of your bank statement. However, if you wish to change the date of the accounting, you must notify the court in writing of the new dates. Under no circumstances can the accounting period exceed 12 months. Therefore, if you change the date, the first accounting period that includes the new dates will be a time period that is less than 12 months.

To determine the balance of assets remaining at the end of the accounting period, under "2. Summary," you must enter: (1) "Balance on hand from last account" (or inventory value if this is the first annual account) and add that number to the total from (2) "Schedule A: Income." These two numbers combined will be entered as: (3) "Total assets accounted for." Then subtract the number from (4) "Schedule B: Expenses and other disbursements" from "Total assets accounted for." This should leave you with: (4) "Total balance of assets remaining." This number should equal "Schedule D: Itemized assets remaining at end of accounting period." To get the "Itemized assets remaining at the end of accounting period," list all assets that are still remaining from the Inventory or that were purchased or acquired during this accounting period. If there are any liquid assets (assets that are in cash form, such as bank accounts, certificates of deposit, or brokerage accounts), you must provide copies of the financial institution statement that covers the ending date of the accounting to the court when filing the account.

Under "Schedule A: Income in this accounting period," summarize the income received during the accounting period. If you have a net gain from Schedule C, you will need to include that number in the "Total Income" under "Net gain, if any, from Schedule C."

Under "Schedule B: Expenses and other disbursements, including distributions to devisees and beneficiaries," summarize the disbursements (expenses) for the accounting period. Individual receipts for payment and/or canceled checks should be retained in your records. If there is a related person expense, this information needs to be disclosed on the account along with the description of the expense. If you have a net loss from Schedule C, you will need to include that number in the "Total Expenses and Disbursements" under "Net loss, if any, from Schedule C."

Under “Schedule C: Gains and losses on disposition of assets,” enter information about any asset that was acquired (purchased, given to you, or discovered), sold, or disposed of in some way during the accounting period. You will need to enter the date acquired, the date sold, the value at the time acquired by the fiduciary (inventory value), the net sales price, and any gain or loss on the asset.

You are required to provide information regarding any interested person’s name and/or address if it has changed since the last accounting (or petition if this is the first account). If the interested persons and/or their addresses are the same as they appear on the petition used to start the proceedings or from your last account, you do not need to fill in this space.

If, for some reason, this account is not being filed with the court, check the appropriate box on the form.

Any fiduciary fees incurred during the accounting period must be listed on the account. The total amount of fees must be listed even if some or all of the fees have already been paid or approved by the court. An itemized invoice must be attached to the account, which includes the services performed, the time to perform each service, and the amount charged for each service. This statement may also include out-of-pocket expenses.

Any attorney fees incurred during the accounting period must be listed on the account even if already paid or approved by the court. An itemized invoice of services performed, which includes the service performed, the time to perform each service, and the amount charged for each service is to be attached to the account.

Once the form is complete, the fiduciary, and attorney if the fiduciary is represented by an attorney, must sign the form under penalty of perjury that the information contained within the form is complete and accurate. Include all requested information. If the fiduciary works outside the home during the day, please include a telephone number where he or she can be reached during court hours. **Note: Where co-fiduciaries have been appointed, each must complete the address and telephone number section and sign the form.**

Note: A \$20 filing fee is required upon the filing of your account with the court.

This form must be served on all interested persons and a *Proof of Service (PC564)* filed with the court.

F. Completing the Petition to Allow Account(s) (PC585a) This form must be filed with the court. It can be filed along with the Account. If filed with the account, there is no additional filing fee. If filed by itself, the filing fee is \$20. Always verify that you are using the most current form by either contacting the court or going to the Supreme Court's website at <http://courts.michigan.gov/scao/courtforms>.

Enter the case number. For a protected individual in a conservatorship file, the case type will be **CA**. For developmentally disabled individuals, the case type is **DD**. Refer to the documents that you have received from the court where the file is located for the full case number. Enter the name of the ward as it appears on your Letters of Conservatorship or Letters of Guardianship of Individual with Developmental Disability.

You are required to provide information regarding any interested person's name and/or address if it has changed since the last accounting period. If the interested persons and/or their addresses are the same as they appear on the petition used to start the proceedings, you do not need to fill in this space.

List the total amount of attorney fees and costs and fiduciary fees and costs included in the account(s) to be allowed. Remember, if there are attorney or fiduciary fees, a detailed statement of services performed must be attached to the account(s) attached to this form.

Indicate whether this is an interim account or first, second, third, etc., by marking the appropriate box and indicating what account or accounts you are requesting the court to approve.

If this is a Final Account as conservator or plenary guardian of the estate, mark the appropriate box and indicate whether the estate should be continued or closed.

Once the form is complete, the fiduciary, and attorney if the fiduciary is represented by an attorney, must sign the form, under penalty of perjury, that the information contained within the form is complete and accurate. Include all requested information. If the fiduciary works outside the home during the day, please include a telephone number where he or she can be reached during court

hours. **Note: Where co-fiduciaries have been appointed, each must complete the address and telephone number section and sign the form.**

When you have completed the Inventory; Annual Account including, if necessary, a Petition to Allow Account(s); Annual Report of Guardian on Condition of Ward; or Report of Guardian on Condition of Individual with Developmental Disability, file with the appropriate probate court, along with the Proof of Service if required.

G. Instructions for Completing the Proof of Service (PC564) – Always verify that you are using the most current form by either contacting the court or going to the Supreme Court’s website at <http://courts.michigan.gov/scao/courtforms>.

The Proof of Service must contain the case name and number as noted on the documents being served. List the documents that were served; the names of the individuals served, their addresses, the date served; and the method of service. There is a separate section to provide the same information for individuals who received personal service or service by publication.

MCR 5.125(C)(27) states, “The persons interested in receiving a copy of an inventory or account of a conservator or of a guardian are:

- (a) the protected individual or ward, if 14 years of age or older and can be located,
- (b) the presumptive heirs of the protected individual or ward, and
- (c) claimants.”

MCR 5.125(C)(6) states, “The persons interested in a proceeding for examination of an account of a fiduciary are the

- (a) devisees of a testate estate, and if one of the devisees is a trustee or a trust, the persons referred to in MCR 5.125(B)(3),
- (b) heirs of an intestate estate,
- (c) protected person and presumptive heirs of the protected person in a conservatorship,
- (d) claimants,
- (e) current trust beneficiaries in a trust accounting, and
- (f) such other persons whose interests would be adversely affected by the relief requested, including insurers and sureties who might be subject to financial obligations as a result of the approval of the account.”

MCR 5.125(C)(23) states, “The persons interested in receiving a copy of the report of a guardian of a legally incapacitated individual on the condition of a ward are:

- (a) the ward,
- (b) the person who has principal care and custody of the ward, and
- (c) the spouse and adult children or, if no adult children are living, the presumptive heirs of the individual.”

Once the form is completed and service made, the form must be dated and signed under penalty of perjury by the individual who served the papers. The Proof of Service should then be filed with the court.