

Instructions for Completing Account of Fiduciary

Court staff is prohibited by law from giving legal advice. If you have any legal questions during this process, please contact an attorney.

TOP OF FIRST PAGE

Indicate what kind of account it is in the top box (e.g., 1st Annual, 2nd Annual, Final, Interim)

In the matter of: Put the name of the protected individual here.

Account Period: Fill in the dates covered by the account. The Account period must span 1 year (unless the Account is the final accounting, in which case the period will be less than 1 year and ends upon the end of your authority over the estate). So, if you were appointed as conservator on January 1, 2010, your accounting period for your 1st Annual Account would be January 1, 2010 to December 31, 2010. If you are filing your 2nd annual Account, your beginning date is the day after the end date of your last Account. Your annual Accounts are due each year on the anniversary of the date on which you were appointed as conservator (this will be the same date as the date on your letters of conservatorship).

NUMBER 2 - SUMMARY*

(*You should complete this section last because you will be using the totals from Schedule A and Schedule B to arrive at your total balance of assets remaining. *If using the on-line account form, these totals will enter automatically.*)

Line 1 - Balance on hand from last account: Go to your copy of the last account (if this is your first account, then go to your copy of the inventory). Find what was recorded for the *Total balance of assets remaining* (if you go to the inventory, find the *Total assets* on the inventory). Write this number down for *Balance on hand from last account*. This represents what was in the estate at the beginning of the accounting period

Line 2 - Add income in this accounting period: Write down the total that you put down at the bottom of the column in **Schedule A**. This represents the amount of money that **came into** the estate during the accounting period.

Line 3 – Total assets accounted for: Add Line 1 (Balance on hand from last account) and Line 2 (Add income in this accounting period) and write the total here.

Line 4 – Subtract disbursements in this accounting period: Write down the total that you put down at the bottom of the column in **Schedule B**. This represents the amount of money that **went out** of the estate or conservatorship during the accounting period.

Line 5 – Total balance of assets remaining: Now subtract Line 4 from Line 3. This represents the amount of money in the estate at the end of the accounting period. (The total in this line must equal the BALANCE OF ASSETS REMAINING at the bottom of the column of Schedule D on the second page)

SCHEDULE A: Income and gain in this accounting period

List here all money that **came into** the estate during the accounting period. Specifically list each source of income. If you need extra space, you can write “See attached list,” but make sure to attach a list that clearly indicates the sources and amounts of income.

Typical sources of income include but are not limited to: Social Security, Interest on bank accounts, Pension, Dividends from stocks, Capital gains, VA benefits, Wages, Rental Income, Tax Refunds, SSI (disability), Annuities, Life insurance benefits

Make sure to record the total of all income and receipts at the bottom of the column.

SCHEDULE B: Expenses, losses, and other disbursements

List here all money that was **paid out** of the estate or conservatorship during the accounting period. Just as with Schedule A, you should specifically list each expense, loss or other disbursement. If you need extra space, you can write “See attached list,” but make sure to attach a list that clearly indicates the purposes and amounts of the expenses.

Typical kinds of expenses include, but are not limited to: Personal items (Clothing), Groceries, Utilities, Medical Care, Room and Board in a facility, Insurance Payments, Taxes, Attorney Fees, Rent or Mortgage, Car Loan Payments, Credit Card Payments, Personal Services (attorney fees, fiduciary fees, tax prep fees, snow removal, cleaning, home medical care, etc.) **MAKE SURE TO ATTACH A DETAILED STATEMENT FOR ALL PERSONAL SERVICES PAID FOR**

Important note: Be sure to retain all receipts organized by category for each disbursement. If requested, you must be able to produce the receipts.

Gifts or charitable donations, such as the protected individual might have been expected to make, may be made in conservatorships for adults as long as the estate is more than sufficient to provide for the protected individual’s needs and the annual total of such gifts does not exceed 20% of the estate income. [MCL 700.5426.]

Additionally, final accounts should include distributions to devisees, heirs, beneficiaries or an estate to show disbursement.

These expenses may be listed by category. Make sure to record the total of all expenses, losses and disbursements at the bottom of the column.

TOP OF SECOND PAGE

SCHEDULE C: Gains and losses on disposition of assets

Use this section only for the **sale or disposition** of real estate, stocks/bonds, or other assets that have resulted in a gain or loss between the time the asset was acquired and the time it was sold. If you are filling out the Account, short form, you may skip this part.

Date Acquired: Use either the date the asset was acquired or the date of fiduciary's appointment if the asset was on the original inventory.

Value at Time Acquired by Fiduciary: Use the value listed on the most recent annual account or inventory.

Proceeds of Sale/Disposition: Use the sale price of the item, or \$0 if the asset had no value and was thrown away or junked. NOTE: Proceeds of sale are NOT INCOME and should not be listed as such under Schedule A. Only the net gain or loss from all assets disposed during the account period is used.

Gain (Loss): To calculate the net gain or loss on the disposition of assets, total the columns *Value at Time Acquired* and *Proceeds of Sale*. Subtract the *total Value at Time Acquired* from the *total Proceeds of Sale* and write the result at the bottom of the Gain (Loss) column. If this is a positive number (gain), enter it also into *disposition gain* under Schedule A. If it is a negative number (loss), enter it also into *disposition loss* under Schedule B.

List the total of these gains or losses at the bottom of the column in Schedule C.

Do not list ordinary gains or losses on stocks or other investments that have not been sold and still remain in the estate (these should be listed either on Schedule A as investment gain or on Schedule B as investment loss)

SCHEDULE D: Itemized assets remaining at the end of accounting period

List here all of the assets in the estate at the end of the accounting period. If you need extra space, you can write "See attached list," but make sure to attach a list that clearly indicates each asset and its value. These assets and their value may be listed by category. Here's an example:

Home at 123 Main Street	\$100,000.00
Name of Bank, Type of Account, *if needed, list Account numbers on MC 97	\$5,000.00
Stock Portfolio	\$50,000.00
Personal and household property	\$2,500.00
Balance of assets remaining	\$157,500.00

Assets like the Home and Personal and household property should be given a value as of the Inventory or as of the date they are acquired, and that value should remain the same on each Annual Account unless the asset is sold or otherwise disposed. If an asset is sold during the accounting period, the gain or loss of that asset must be listed in Schedule C.

For assets like the Checking Account and Stock Portfolio that are on deposit with a bank or an investment firm, you must attach a copy of an account statement from that financial institution. **The account statement must cover the end of the accounting period or within 30 days thereafter (but not before) and must reflect the same balance as your accounting.**

Balance of assets remaining: You must total the value of the assets in the estate. Since this is a total of the assets on hand at the end of the accounting period, **this total must equal the Total balance of assets remaining on Line 5 of the Summary on Page 1 of the Account.**

ITEMS 3 THROUGH 7

ITEM 3: If any interested person has moved or died since his/her contact information was given to the court, this must be communicated to use in Item 3.

Item 5: This is only relevant for accounts filed in decedents' estates.

Items 6 & 7: Statute [MCL 700.543] permits a conservator to obtain only "reasonable compensation" for services rendered. [The Mental Health Code allows for no compensation for a guardian of the estate of the person with developmental disability.] **If you charge the estate a fee for serving as a conservator, you must attach a written statement of the services performed.** It should include a description of the services, the dates those services were performed, and the amount of time spent on each service. Likewise, if any attorney fees were incurred, a written statement of the services performed must be included.

SIGNATURES

Fiduciary signature: You, as conservator (or guardian of the estate of a person with developmental disability), must sign and date the account. If there are co-conservators (or co-guardians of the estate of a person with developmental disabilities), both must sign.

Attorney Signature: If you have an attorney representing you in the conservatorship or guardianship, the attorney must sign as well.

FILE WITH THE COURT:

- Account of Fiduciary (PC 584)
- Fiduciary Statement (if you are charging fees)
- Attorney Fee Statement (if attorney is charging fees paid out of conservatorship)
- Statements from financial institutions within 30 days of accounting period showing ending balance of all liquid assets
- Receipts or statements for any personal services paid out (if applicable)
- Petition to Allow Account(s) (PC 585a)
- Order Allowing Account(s) (PC 585b)
- Proof of service (PC 564) – showing service of Account on all interested persons, including the GAL and protected individual.
- \$20.00 filing fee, payable to “Berrien County Probate Court”