

Directions for Completing Account of Fiduciary in a Conservatorship

PC 584 – LONG FORM

(Minors, Protected Individuals, Individuals with a Developmental Disability)

Follow these directions to save yourself time in having your Account approved by the Court.

Please type or print neatly in black or blue ink.

Important Note: Along with the Account, a copy of the corresponding financial institution statement must be presented to the court or a verification of funds on deposit must be filed with the court, either of which must reflect the value of all liquid assets (i.e., checking/savings account, certificate of deposit, money market fund, etc.) held by a financial institution dated within 30 days after the end of the accounting period, unless waived by the court for good cause.

TOP FIRST PAGE

“Estate of”: Unless it already appears on the form, put the name of the person the conservatorship is for here.

Item 1 - Account Period: The Account period must be for **1 year** (unless the account is the final accounting, in which case the period may be less than 1 year and ends upon the end of your authority over the estate). If you are filing your **1st** Annual account, the beginning date is when Letters of Authority as conservator were issued by the Court. If you are filing a **2nd** or later annual account, the beginning date is the day after the end date of the last Account. Also, indicate what kind of account it is in the top box (i.e., Annual, Final, or Interim). If you are using the form enclosed with the reminder from the court, this information will already be completed.

Item 2 - SUMMARY: *[You will need the totals from Schedules A, B, and C, so complete this section last.]* This item asks you to tell the Court how the balance in the conservatorship has changed from the last Account (or the Inventory) to this Account. This item begins with the *balance on hand from last Account* and ends with *total balance of assets remaining*.

- **Balance on hand from last account:** Go to your copy of the last Account, or the Inventory if this is the first Account. Find what was recorded for *balance of assets remaining* in the Account, or *total assets* on the Inventory. This will be your number for *balance on hand from last Account* and is your beginning balance. If you are using the form enclosed with the reminder from the court, this number will be provided.
- **Add income in accounting period:** Write down the *total income and gain* from Schedule A. This represents the amount of money or other assets that **came in** to the conservatorship during the accounting period.
- **Total assets accounted for:** Add these top two numbers together and write the sum here.

- **Subtract disbursements in this accounting period:** Write down the *total expense, loss, and disbursement* from Schedule B. This represents the amount of money that **went out** of the conservatorship during the accounting period.
- **Total balance of assets remaining:** Now subtract the *disbursements* from the *total assets accounted for*. This represents the amount of money and/or other assets in the conservatorship at the end of the accounting period. **THIS NUMBER MUST MATCH THE BALANCE OF ASSETS REMAINING AT THE BOTTOM OF SCHEDULE D.**

SCHEDULE A: INCOME

Income: List here all money or other assets **by category** that came into the conservatorship during the account period. Have only one entry per category, with the year total for that category listed in the dollars column on the right side of the Schedule A section.

Typical income sources may include some or all of the following: Social Security, interest on bank account, pension, annuity, dividends from stock, capital gains, VA benefits, rental income, inheritance, tax refunds, SSI (Disability), and life insurance benefits. Investment gains such as interest, dividends, or other earnings should be grouped under *investment gain*. If disposition of an asset resulted in a gain in Schedule C, write that number next to *disposition gain*, and total the column.

Total Income: Make sure to record the total of all income and other receipts at the bottom of Schedule A, as well as the second line of SUMMARY (Item 2).

SCHEDULE B: EXPENSES, LOSSES, AND OTHER DISBURSEMENTS

Expenses: List here all money that was **paid out** of the conservatorship during the account period.

Typical kinds of expenses: These could include personal items (clothing), room & board in a facility, medical care, and insurance payments. These can be listed **by category**. Example: Utilities, rent, food, clothing, etc. Have only one entry per category, with the year total for that category listed in the dollars column on the right side of the Schedule B section. For conservatorship accountings, you must have receipts organized by category for each disbursement. Retain these receipts in your records and be able to produce them if requested. Record *investment loss* and *disposition loss* from Schedule C, if any, and total the column.

Total Expenses and Disbursements: Make sure to record the total of all expenses and other disbursements at the bottom of Schedule B, as well as the fourth line of SUMMARY (Item 2).

TOP SECOND PAGE

SCHEDULE C: GAINS AND LOSSES ON DISPOSITION OF ASSETS (use only if needed)

Use this section if you sold or disposed of an asset such as a house, car, bonds, or mutual funds during the account period. Because non-financial assets are carried along from account to account at the same value without regard to appreciation or depreciation, the purpose of this section is to reconcile the difference, if any, between that value and the proceeds of the sale or other disposition.

- **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.

SCHEDULE D: ITEMIZED ASSETS

Itemized assets remaining: List the assets in the conservatorship at the end of the accounting period.

Typical assets: The usual types of assets in a conservatorship include a checking account or some other bank account, a home, and personal and household property. These assets and their value may be listed by category. Here's an example:

Home at 123 Main Street	\$50,000
Checking account, account #123456, Gigantic National Bank	\$1,000
Personal and household property	\$1,000
BALANCE OF ASSETS REMAINING	\$52,000

Balance of Assets Remaining: Total the value of the assets in the conservatorship. Since this is a total of the assets remaining at the end of the accounting period, **THIS NUMBER MUST MATCH THE TOTAL BALANCE OF ASSETS REMAINING ON THE LAST LINE OF ITEM 2 ABOVE.**

ITEMS 3 THROUGH 7

- **Item 3 - Interested persons:** If any interested persons have moved or died since their addresses were given to the court, you must list their new addresses (or state that they died).
- **Item 5:** Don't fill this out – it is only used in deceased estates, not conservatorships.

- **Items 6 & 7 - Fiduciary/attorney fees:** The law allows a conservator to obtain only “reasonable compensation” for services rendered. **If you charge the estate a fee for serving as conservator, you must attach a written summary of services performed. If attorney fees are charged, you must attach a copy of the attorney fee statement.**

SIGNATURES

Fiduciary signature: You, as conservator or guardian of an estate for an individual with a developmental disability, must date and sign the Account. If there are co-conservators or co-estate guardians for an individual with a developmental disability, all must sign.

Attorney signature: If you have an attorney representing you in the conservatorship or guardianship for an individual with a developmental disability, the attorney must also sign.

FILE WITH COURT:

- Account of Fiduciary ([PC 584](#))
- Fiduciary Log, if applicable
- Attorney fee statement(s), if applicable
- Statements from financial institutions showing the ending balance on all liquid assets
- \$20 filing fee, payable to "Leelanau County Probate Court"
- Petition to Allow Account(s) ([PC 585a](#)), if applicable
- Proof of Service ([PC 564](#)) showing service on all interested persons, including the protected individual

CHECKLIST FOR SUBMITTING ACCOUNT OF FIDUCIARY

- (1)** - Check the **accounting period** to be sure it begins when the last accounting ends, or if this is the first account, that the accounting period begins on the date of appointment of the fiduciary. Make sure the accounting period does not exceed 12 months.
- (2) Summary** - Check to make sure the "Balance on hand from last account/inventory" is the same as either the inventory balance, if this is the first accounting, or the balance on hand from the previous accounting.
- Schedule A** – Review receipts to ensure nothing is missing from previous accountings, such as Social Security, retirement, dividends, or interest.
- Schedule B** – Review disbursements to make sure they are reasonable and relate to the assets of and services to the protected individual. Make sure there is no self-dealing and that all possible self-dealing is fully disclosed on the accounting. Look closely at any cash disbursements, gifts, allowances to the ward, and loans. If there is an outstanding loan, check to be sure payments are being made as agreed to in the promissory note. Any "miscellaneous" disbursement should be explained.
- Schedule D** – Check to be sure all assets are accounted for. Assets sold or purchased properly accounted for on the accounting. (Use Schedule C for assets that were sold or otherwise disposed of during the accounting period.)
- Schedule D** – Check the financial institution statements to make sure they correspond to the assets on hand and that the balances reported on the accounting and shown on the financial institution statement match up.
- (6), (7)** – Attach activity log or itemized statements corresponding to any fiduciary or attorney fees claimed.
- Signatures** – Make sure the accounting is signed by the fiduciary or all co-fiduciaries and by the attorney if applicable.
- Attachments** – Make sure to enclose financial institution statements, activity log for fiduciary fees, Petition to Allow Accounts, if needed, and \$20 filing fee (if applicable).
- Proof of Service** – the following persons must be served with a copy of the account: Protected individual/ward ** spouse and presumptive heirs of the ward ** Attorney General if no known heirs ** any governmental agency paying benefits to the ward (such as Social Security) ** Administrator of Veterans' Affairs if the ward receives veteran's benefits.

STATE OF MICHIGAN PROBATE COURT COUNTY OF	ACCOUNT OF FIDUCIARY, LONG FORM <input type="checkbox"/> Number <input type="checkbox"/> Annual <input type="checkbox"/> Final <input type="checkbox"/> Interim <input type="checkbox"/> AMENDED	FILE NO.
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In the matter of _____

In a guardianship or conservatorship, the ward's or protected individual's current address and telephone number are:

1. I, _____, Name _____, am the _____ Title _____
 of the estate and submit the following as my account, which covers the period from _____ Month, day, year
 to _____ (may not exceed 12 months).
 Month, day, year

2. SUMMARY

Balance on hand from last account, or value of inventory if first account	\$ _____
Add income in this accounting period (Total from Schedule A.)	\$ _____
Total assets accounted for	\$ _____
Subtract disbursements in this accounting period (Total from Schedule B.).....	\$ _____
Total balance of assets remaining (Itemize and describe in Schedule D.)	\$ _____

If additional sheets are required for Schedule A or B, place all itemization on those sheets and include only category totals on the schedules below.

SCHEDULE A: Income and gain in this accounting period		SCHEDULE B: Expenses, losses, and other disbursements, including distributions to devisees and beneficiaries	
Investment gain		Investment loss	
Disposition gain, if any, from Schedule C		Disposition loss, if any, from Schedule C	
Total Income and Gain		Total Expense, Loss, and Disbursement	

(SEE SECOND PAGE)

USE NOTE: If this form is being filed in the circuit court family division, please enter the court name and county in the upper left-hand corner of the form.

Do not write below this line - For court use only

SCHEDULE C: Gain and loss on disposition of assets					(Use only if needed.)
DESCRIPTION	DATE ACQUIRED	DATE SOLD/DISPOSED	VALUE AT TIME ACQUIRED BY FIDUCIARY	PROCEEDS OF SALE/ DISPOSITION	GAIN (LOSS)
TOTAL GAIN(LOSS)					

If gain, transfer to Schedule A. If loss, transfer to Schedule B.

SCHEDULE D: Itemized assets remaining at end of accounting period	
If additional sheets are required, indicate on Schedule "See attached sheets."	
BALANCE OF ASSETS REMAINING (Show this amount on summary.)	

NOTE: In guardianships and conservatorships, except as provided by MCR 5.409(C)(4), you must present to the court copies of corresponding financial institution statements or you must file with the court a verification of funds on deposit, either of which must reflect the value of all liquid assets held by a financial institution dated within 30 days after the end of the accounting period.

3. The interested persons, addresses, and their representatives are identical to those appearing on the initial application/petition, except as follows: (For each person whose address changed, list the name and new address; attach separate sheet if necessary.)

4. This account lists all income and other receipts and expenses and other disbursements that have come to my knowledge.
5. This account is not being filed with the court.
6. My fiduciary fees incurred during this accounting period (including fees that have already been approved and/or paid for this accounting period) are \$ _____. Attached is a written description of the services performed.
7. Attorney fees incurred during this accounting period (including fees that have already been approved and/or paid for this accounting period) are \$ _____. Attached is a written description of the services performed.

I declare under the penalties of perjury that this account has been examined by me and that its contents are true to the best of my information, knowledge, and belief.

Date _____

Attorney signature _____

Fiduciary signature _____

Attorney name (type or print) _____

Bar no. _____

Fiduciary name (type or print) _____

Address _____

Address _____

City, state, zip _____

Telephone no. _____

City, state, zip _____

Telephone no. _____

(For accounts that must be filed with the court.)

NOTICE TO INTERESTED PERSONS

1. You must bring to the court's attention any objection you have to this account. Except in guardianships and conservatorships, the court does not normally review the account without an objection.
2. You have the right to review proofs of income and disbursements at a time reasonably convenient to the fiduciary and yourself.
3. You may object to all or part of an accounting by filing a written objection with the court before the court allows the account. You must pay a \$20.00 filing fee to the court when you file the objection. (See MCR 5.310[C].)
4. If an objection is filed and is not otherwise resolved, the court will conduct a hearing on the objection.
5. You must serve the objection on the fiduciary or his/her attorney.

STATE OF MICHIGAN PROBATE COURT COUNTY CIRCUIT COURT - FAMILY DIVISION	PETITION TO ALLOW ACCOUNT(S)	FILE NO.
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In the matter of _____

1. One or more accounts listing all income and other receipts and expenses and other disbursements, which have come to my knowledge during the accounting period(s), have been filed with the court.
2. The interested persons, addresses, and their representatives are identical to those appearing on the initial application/petition, except as follows: (for each person whose address changed, list the name and new address; attach separate sheet if necessary)

3. The attached accounts include

- a. attorney fees and costs in the amount of \$ _____.
- b. fiduciary fees and expenses in the amount of \$ _____.

REQUEST:

4. The court approve my fees and expenses and attorney fees and costs in the amount(s) stated above as set forth in the itemized statements attached to the account.
5. That the account(s) be allowed as my
 interim account.
 _____ account(s).
 specify whether 1st, 2nd, 3rd, annual, or final
6. That I be discharged. That bond be canceled.
 That the estate be continued. closed.

I declare under the penalties of perjury that this petition has been examined by me and that its contents are true to the best of my information, knowledge, and belief.

Date _____

Attorney signature

Fiduciary signature

Attorney name (type or print) Bar no.

Fiduciary name (type or print)

Address

Address

City, state, zip Telephone no.

City, state, zip Telephone no.

Do not write below this line - For court use only

FIDUCIARY ACTIVITY LOG
(attach to Account of Fiduciary)

In the matter of _____ File No. _____

Date

Signature of fiduciary

**STATE OF MICHIGAN
PROBATE COURT
COUNTY OF LEELANAU**

PROOF OF SERVICE**FILE NO.**

13-54321-CA

In the matter of Joseph E. Ward1. Titles of the papers served or mailed: 3rd Account of Fiduciary, Petition to Allow Account(s)

2. According to court rule, I served by first-class mail registered mail (copy of return receipt attached)
 certified mail (copy of return receipt attached) the papers described above on:

Name Spouse	Complete address of service Spouse's address	Date 2/14/13
Adult child #1	Adult child #1 address	"
Adult child #2	Adult child #2 address	"
Social Security Administration	1329 S. Division St., Traverse City, MI 49684	"
Veteran's Admin, Fiduciary Hub	575 N. Pennsylvania St., Indianapolis, IN	"

3. According to court rule, I served by **personal service** the papers described above on:

Name Joseph E. Ward	Complete address of service Address where served	Date and Time 2/15/13 at 10:30 a.m.

4. After diligent search and inquiry, I have been unable to find and serve the following interested persons. I have served these persons by publication. Attached are copies of form PC 617.

I declare under the penalties of perjury that this proof of service has been examined by me and that its contents are true to the best of my information, knowledge, and belief.

Service fee \$	Miles traveled	Fee \$	
Incorrect address fee \$	Miles traveled	Fee \$	TOTAL FEE \$

2/16/13
Date

Signature
Mary K. Conservator
Name (type or print)

USE NOTE: If this form is being filed in the circuit court family division, please enter the court name and county in the upper left-hand corner of the form.

Do not write below this line - For court use only

12. ANNUAL ACCOUNT

What are my obligations to report to the court?

A conservator must file an *account* annually, although the court can request an account at any time.

What is an account?

An account shows money and property received during the year as conservator, and expenses and other disbursements.

An account also shows the value of the estate at the beginning of the period, and has a list of assets remaining at the end of the account period, together with the value of each asset.

Are there court forms to use for the account?

Yes, you have a choice of two forms. Use the second form only if you have sold assets such as real estate or stocks and bonds during the year.

Blank forms are available at no cost from the probate court office or online.

PC 583 Account of Fiduciary
PC 584 Account of Fiduciary

How detailed should an account be?

Receipts and expenses can be listed by category. For example, the total amount of private pension checks received during the year, or the total amount paid for nursing home care can be listed on single lines.

Must a conservator account for social security payments?

If you are also representative payee, you account annually to the Social Security Administration for those funds. In some counties, the probate court does not require you to also account for those funds to the court.

In other counties, the court requires you to account for all funds received, regardless of source. It is safe for you to choose this course.

What are categories of income and receipts I might use?

Categories might include -

- Social Security
- Veterans Benefits
- Pension
- Interest
- Dividends
- Health insurance reimbursement
- Income tax credits
- Other (specify source)

What are some categories of expenses I might use?

Categories might include -

- Housing
- Food
- Clothing
- Medical
- Dental
- Weekly or monthly allowance
- Transportation
- Attorney fees
- Other (specify)

What else might the account show?

The account might show as expenses any conservator fees earlier approved by the court, or include a request for approval of fees "earned" but not yet paid.

What is the period of time my first account covers?

The account will usually cover the one year period beginning with the date your letters of authority are signed and ending on the anniversary date.

When is my first annual account due?

The annual report is due each year within 63 days of the anniversary of your letters of authority.

The due date for the report is important - write it down on your calendar each year. You may or may not receive a reminder notice.

What happens if I can't get my account in on time?

You should request an extension, preferably before the due date. If you fail to file an account, you will receive a *Notice of Deficiency*. Act promptly by contacting the probate court.

If you do not file an account after receiving a notice of deficiency, the court may suspend your powers and later remove you as conservator.

PC 600 Notice of Deficiency

Must I show any mortgages or loans on the account form?

Yes, you should include such transactions even though there may be no specified line for them. A new transaction of these types would appear on both sides of the ledger, as there is both "income" and "expenditure" in equal amounts.

How might I make it easier to complete the account?

The more accurate and detailed records you keep during the year, the easier it will be to complete the account.

With what figures do I begin?

The starting point for your first account is the value of the estate as shown in the inventory you filed.

The starting point for future accounts is the value of all assets at the end of the previous account period.

Must I attach any documents or information to the account?

You must attach a confirmation of bank balance or brokerage fund balance from a bank or broker or mutual fund where funds are held, dated within 30 days of the end of the accounting period.

Should I discuss the account with the individual before I file it?

It may be helpful to the individual to do so.

Is there a court fee for submitting the annual account?

Yes, the fee is \$20.00. The fee is payable out of the individual's estate.

To whom must I send a copy of the account?

You must send a copy to the individual and to each interested person shown on the initial petition for conservatorship. Consider delivering a copy to the individual in person.

After doing this, file a proof of service with the court.

What if the individual receives benefits from the Veterans Administration?

If you control a benefit the individual receives from the Veterans Administration, send a certified copy of the account to the VA regional office.

What if there are no interested parties?

You must send a copy of the account to the Michigan Attorney General. The address of the Attorney General is -

Law Building
P.O Box 30212
Lansing, MI 48909

When I file the account with the court, will court staff ask for proof of expenses I have made?

Court staff have authority to request proof of expenses, which are usually in the form of cancelled checks. Some counties do this routinely, others only if there are questions about the account.

When I file the account, will the court set a date for a hearing?

In some counties, the court will hold a hearing each year. In other counties, the court will review the account each year and hold a hearing once every three years

A hearing will ordinarily be held if any interested party objects to the account, the conservator requests a hearing, or if the court notices irregularities.

What are the purposes of a hearing?

A hearing provides opportunity for interested persons to object, and for

the court to act upon a request for approval of attorney fees and conservator fees.

Will the court maintain the guardian ad litem through the years?

The court has authority to continue the role of the guardian ad litem, who will review annual accounts and make a recommendation to the court.

Can I permanently change the date upon which the annual account is due?

If you contact the court in writing, the court can change the date to one more convenient to you. No account, however, should cover a longer period than 12 months.