

GUARDIAN OF THE PROPERTY OF A DISABLED PERSON



CHECKLIST

Thank you for agreeing to serve as a guardian. The court appointed you because you are the best person for the job. Remember, you are not alone. You are the court's partner in a guardianship.

We hope that this checklist will get you off to a great start. Good luck!

You have been appointed Guardian of the Property for: _____

[Disabled Person's Name]

by the: _____

[Court's Name]

Below is important information about your case:

Case Number: _____

Date of Appointment: _____

Initial Inventory Due Date: _____

Annual Fiduciary Report Due Date: _____

Court Contact: _____

Do the following as soon as possible after your date of appointment:

READ THE GUARDIANSHIP ORDER

Read the order appointing you as guardian of the property. In the Guardianship Order, the court may require you to post a bond or set up a restricted account.

Bond

If the disabled person's property is valued at more than \$10,000, the court may require you to post a bond. A bond is like an insurance policy to protect the guardianship estate against losses or damages if you misuse the disabled person's assets. The fee for the bond (the premium) can be paid out of the guardianship estate.

Get a bond from an insurance or surety bond agency. Whether you qualify to be bonded is based on your financial situation – your credit rating, income and resources, debts, and whether you have ever filed for bankruptcy. If you have trouble getting bonded, notify the court immediately. As soon as you are bonded, file proof of the bond with the court. Provide documentation showing the bond remains in effect when you file the Annual Fiduciary Report.

At any time, the court may increase or decrease the amount of bond required. The court may also impose a bond after it has granted the Guardianship Order. File paperwork with the court proving that you set up the restricted account.

Restricted Account

The court may require that you set up and put guardianship funds into a restricted account. Once in place, you will not be able to withdraw funds without a court order.

To set up a single restricted account, you should deposit the disabled person's funds in a federally-insured financial institution. If the disabled person's assets are more than \$200,000, the court may require you to set up multiple restricted accounts. The account should be titled (registered) in the following form:

[Guardian's (Your) Name], Guardian of the Property for [disabled person's name],
withdrawals subject to the order of the [Name of Court that appointed you as
guardian].

Example: *Jane Guardian, Guardian of the Property for John Disabled Person,
withdrawals subject to order of the Circuit Court for Baltimore City.*

Example:

Financial Institution

Account Number: A-11-1111

Account Type: Checking

Account Name: John Disabled Person

Jane Guardian (GUARDIAN)

Special Instructions: RESTRICTED ACCOUNT Withdrawal by Court Order Only

Balance: \$10,000

The court may require an order for each withdrawal. Or, the court may enter a continuing order allowing you to make withdrawals up to a specified amount.

To request the court's approval to withdraw funds, file a written request that includes the amount you want to withdraw, the reason for the withdrawal, and any documentation that supports your request.

If the amount deposited in a single restricted account is more than \$10,000, you will need to provide an annual accounting to the court. If the amount is less than \$10,000, no annual accounting is required unless the court orders otherwise.

You will need to file paperwork proving you set up the restricted account with the court.

IDENTIFY AND TAKE STEPS TO PROTECT ALL PROPERTY IN THE GUARDIANSHIP ESTATE

The guardianship estate includes all of the disabled person's assets (property) including income, real and personal property, stocks, bonds, and investments. Identify all sources of income including pension benefits, rental income, interest from investments, Social Security income

(including Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI) income), Veterans benefits, and job earnings. Identify any stocks, bonds, mutual funds, and investment accounts the disabled person may own.

The guardianship petition is a good starting point for identifying all of the disabled person's property. It may not provide a *complete* picture.

Other ways to find out if the disabled person has property not listed in the petition:

- **Review the disabled person's personal papers** – Look through records and papers including old mail to see if there are statements for bank accounts, stock, bonds, or mutual funds.
- **Review the disabled person's tax returns** - The IRS receives information on all tax payers who own bank accounts or have income from wages, pensions, or investments. Contact the IRS and ask for the last several years' of the disabled person's tax returns. Visit [irs.gov](https://www.irs.gov) or call 800-829-3676 for forms and more information.
- **File a change of address with the U.S. Postal Service** – Most financial institutions and creditors mail monthly statements. Have the disabled person's mail redirected to you "as guardian for [Disabled Person]."
- **Run the disabled person's credit report** – Credit reports are a good source of information about outstanding debts. The Fair Credit Reporting Act requires the nationwide credit reporting companies Equifax, Experian, and TransUnion to provide free credit reports every 12 months. To order credit reports on behalf of the disabled person, visit annualcreditreport.com, or call 1-877-322-8228.

Once you have identified all the assets in the guardianship estate, notify financial institutions of your appointment as guardian of the property. Ask that all correspondence be re-directed to you.

Close accounts to which outsiders have access. If you are not able to access the disabled person's online financial accounts, email accounts, or social media accounts, ask the court to enter an order that expressly grants you access.

If the disabled person owns real property, change the locks. Take steps to evict anyone who should not be there. Take pictures of the disabled person's property and put items in storage if they are at risk of theft or damage.

Inventory and secure valuable personal property such as jewelry and coins in a safe, safe deposit, or other secure location.

Take possession of motor vehicles solely owned by the disabled person. Advise the insurance carrier of the appointment and make changes to the policy coverage. Do not let other persons operate the vehicle on a regular basis.

Identify existing insurance policies in the disabled person's name, and determine if the disabled person needs additional coverage. Policies may include household, valuable property, liability, life, fire, auto, long term care, and medical insurance. Notify the companies of your appointment as guardian of the property and ask that all correspondence to be re-directed to you. If the disabled person has valuable property such as jewelry, art, or other collectibles that are not insured, have the items appraised and insured.

RETITLE ASSETS

Retitle the disabled person's assets including cars, bank accounts, investment accounts, IRAs, and other securities in your name as guardian for the disabled person. For example: *[Guardian's (Your) name] as Guardian for [Disabled Person's name]*.

Jointly titled assets must be identified as guardianship property. Do not change the title of these assets. Instead, arrange to protect and account for the disabled person's interest in them.

If the disabled person has real property (other than in the county of court that appointed you as guardian), file a copy of the order appointing you as guardian in the county in which that property is located. If the disabled person has property in another state, file the order in the land records in the appropriate county of that state.

IDENTIFY EXPENSES AND DEBTS

Figure out the disabled person's expenses and arrange to meet those expenses. Expenses include payments for mortgage, rent, utilities, food, clothing, and medical expenses. Have all bills re-directed to you so that you can arrange for payment. Identify and arrange for the payment of debts, including court-ordered payment of professionals involved in the guardianship process.

REGISTER WITH GOVERNMENT AGENCIES

If the disabled person receives Social Security benefits or Supplemental Security Income, apply with the Social Security Administration to become a **Representative Payee**. Have checks automatically deposited into the guardianship account. **Call 1-800-772-1213 (TTY 1-800-325-0778)** to learn about becoming a representative payee. If the disabled person receives benefits from the Department of Veterans Affairs, apply to become a **Fiduciary**. Learn more at: benefits.va.gov/fiduciary/fiduciary.asp.

FILE THE INITIAL INVENTORY OF ASSETS WITHIN 60 DAYS OF YOUR APPOINTMENT

Use Form CC-GN-011, Initial Inventory of Assets, available online at: mdcourts.gov/family/forms/ccgn011.pdf. If you are unable to file the initial inventory on time, notify the court.

What you can do with the disabled person's money:

- **Day-to-Day Management** – Pay the disabled person's bills and pay from the guardianship estate for the clothing, housing, transportation, support, care, protection, welfare, and rehabilitation of the disabled person.
- **Collecting Income** – Collect income including rents, pensions, Social Security, and debts owed to the disabled person.
- **Managing Property** – Manage the disabled person's rental properties, including entering in and enforcing the leases, making repairs and/or improvements, collecting income, and hiring agents.
- **Paying Taxes** – Prepare and file the disabled person's state and federal tax returns before April 15th of each year. You must file taxes under the disabled person's social security number.

- **Financial Planning** – Make financial decisions to ensure the guardianship estate can cover the disabled person’s current and future needs. This may include hiring accountants, financial advisors, or other professionals.

RECOMMENDATIONS:

- Create a guardianship file with copies of court orders, Initial Inventory of Assets, Annual Fiduciary Reports, insurance policies, accounts statements, documentation and other important papers. Create a log of any action you take as guardian on behalf of the disabled person.
- Pay guardianship expenses with checks whenever possible.
- Keep accurate records (including receipts for all purchases).
- Pay taxes and bills on time.
- Spend the disabled person’s money wisely and only on behalf of the disabled person.
- Ask the court before making any large purchases or sales.
- Keep track of the disabled person’s bank accounts and other property.
- Notify the court if your contact information changes.
- Contact an attorney or the Maryland Courts Self-Help Centers (410-260-1392 or mdcourts.gov/selfhelp/mcshc.html) if you have questions or are not sure how to handle a particular situation.

DON’T:

- Comingle (mix) your assets, accounts, or records with those of the disabled person.
- Transfer money from guardianship accounts to your personal accounts.
- Pay yourself for any reason out of the disabled person’s funds without court approval.
- Use the disabled person’s money to pay your bills.
- Borrow money from your disabled person.
- Make checks payable to “cash.”
- Make substantial changes in investment portfolios, or other assets, without court approval.
- Revoke or amend a durable power of attorney executed by the disabled person without court approval.
- Share the disabled person’s social security number, account numbers or passwords, or credit or ATM cards.
- Do not take any actions that are not authorized in the Guardianship Order. If you are unsure about whether you are authorized to take a particular action, ask for the court’s permission in writing first.

