



Supreme Court

STATE OF ARIZONA
ADMINISTRATIVE OFFICE OF THE COURTS

Scott Bales
Chief Justice

David K. Byers
Administrative Director
of the Courts

June 29, 2018

Ms. Yvonne Stallings
Apache County Public Fiduciary
[REDACTED]

RE: Fiduciary Compliance Audit

Dear Ms. Stallings:

Enclosed is the final compliance Audit Report for Apache County Public Fiduciary. This Audit Report is now public record.

Thank you for your cooperation and assistance during the compliance audit process.

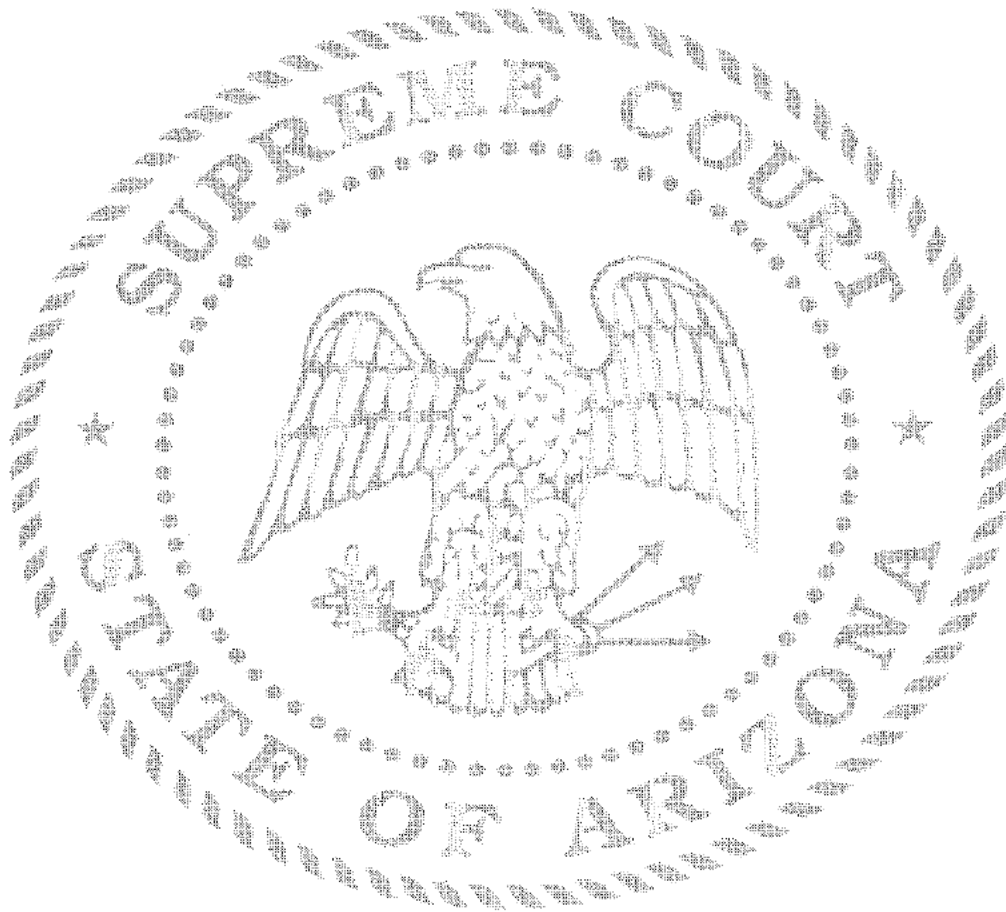
Sincerely, [REDACTED]

[REDACTED]
Mark Wilson
Division Director
Certification and Licensing Division

Enclosure

cc: Honorable Michael Latham, Presiding Judge, w/encl.
Supervisor Alton Joe Shepherd, Chairman, w/encl.
Ryan N. Patterson, County Manager, w/encl.
Chris Sexton, Public Health Services District, w/encl.

Arizona Supreme Court
Administrative Office of the Courts



AUDIT REPORT

APACHE COUNTY PUBLIC FIDUCIARY, No. [REDACTED]
Yvonne Stallings, No. [REDACTED]

February 2018

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Apache County Public Fiduciary

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Disclaimer

This final report represents the information and conditions encountered at the point in time of the audit and does not purport to represent conditions prior to or subsequent to the performed audit. The information presented does not represent an endorsement or denunciation of the audited fiduciary or business.

After this report is distributed to the audited fiduciary, presiding judge of the county and, if a public fiduciary, the county supervisors, it becomes public record.

EXECUTIVE SUMMARY

Executive Summary

Apache County Public Fiduciary Compliance Audit Report

The Arizona Supreme Court, Fiduciary Licensing Program conducted a compliance audit of the Apache County Public Fiduciary, (ACPF) licensed fiduciary business entity [REDACTED] pursuant to Arizona Revised Statutes (A.R.S.) § 14-5651 and Arizona Supreme Court Administrative Order 2003-31. The Audit Unit audited the fiduciary activities of the Apache County Public Fiduciary, including the administrative and work responsibilities of former licensed fiduciary Patricia Hall (Hall), and current licensed fiduciary, Yvonne Stallings (Stallings), license number [REDACTED], for the period of time January 1, 2016 through January 31, 2018.

The following is a summary of the audit findings to which Stallings conceded were correct when Division Staff met with her in person on May 30, 2018, and again in the Apache County Public Fiduciary's Responses to Findings referenced herein and incorporated as part of the Audit Report:

FINDING NO. 1 – Budgets

- (A) *ACPF did not institute and file an initial/first budget and give notice to interested parties as applicable for wards in any case in which it was appointed as conservator.*
- (B) *ACPF did not file an annual budget with each conservator's account and give notice to interested parties as applicable for wards in any case in which it was appointed as conservator.*

ACPF Response - Apache County Public Fiduciary, Yvonne Stallings, agrees with the finding. See "Apache County Public Fiduciary's Responses to Findings of February 2018 Audit Report", which is attached to the Final Audit Report and made apart thereof.

FINDING NO. 2 – Inventories and Credit Reports

- (A) *ACPF did not prepare an inventory in some cases.*
- (B) *ACPF did not file or did not timely file an inventory in some cases.*
- (C) *ACPF did not file a motion to request additional time to file an inventory in applicable cases.*
- (D) *In cases in which ACPF did file documents titled inventories, a value was not assigned to the property listed.*
- (E) *ACPF did not obtain and file a consumer credit report for any of the cases.*

ACPF Response - Apache County Public Fiduciary, Yvonne Stallings, agrees with the finding. See "Apache County Public Fiduciary's Responses to Findings of February 2018 Audit Report", which is attached to the Final Audit Report and made apart thereof.

Executive Summary

FINDING NO. 3 – Accounts

- (A) *ACPF did not file annual accounts for some of its cases.*
- (B) *Some of the annual accounts were not timely filed.*
- (C) *ACPF did not file motions to request additional time to file late accounts.*
- (D) *Some of the annual accounts were filed for two-year periods.*
- (E) *Final accounts have not been filed for some cases.*

ACPF Response - Apache County Public Fiduciary, Yvonne Stallings, agrees with the finding. See “Apache County Public Fiduciary’s Responses to Findings of February 2018 Audit Report”, which is attached to the Final Audit Report and made apart thereof.

FINDING NO. 4 – Marshalling and Securing Assets, Co-mingling Assets of the Wards, Competent Management of Property

- (A) *In some cases, ACPF has not taken reasonable steps to marshal and secure the property and income of the protected person or the decedent’s property.*
- (B) *In some cases, ACPF has co-mingled the property of protected persons and decedents’ estates.*
- (C) *In some cases, ACPF has not provided competent management of property.*
- (D) *ACPF has not applied for letters of administration for an estate when the value of the estate exceeded \$20,000*

ACPF Response - Apache County Public Fiduciary, Yvonne Stallings, agrees with the finding. See “Apache County Public Fiduciary’s Responses to Findings of February 2018 Audit Report”, which is attached to the Final Audit Report and made apart thereof.

FINDING NO. 5 – Annual Guardian Reports and Ward Visits

- (A) *ACPF has not filed annual Guardian Reports for some wards.*
- (B) *Some of the Guardian Reports filed for wards are for two-year periods.*
- (C) *Some of the Guardian Repots are incomplete.*
- (D) *Auditors are unable to determine number of visits to some protected wards*

Executive Summary

ACPF Response - Apache County Public Fiduciary, Yvonne Stallings, agrees with the finding. See "Apache County Public Fiduciary's Responses to Findings of February 2018 Audit Report", which is attached to the Final Audit Report and made apart thereof.

FINDING NO. 6 – Probate Information Sheet, Notice of Address Change or Location of the Protected Person or Ward

(A) ACPF did not file a Probate Information Form with the Court for any case.

(B) ACPF did not file notice with the Court of Permanent Location or Address Change for some wards or protected persons

ACPF Response - Apache County Public Fiduciary, Yvonne Stallings, agrees with the finding. See "Apache County Public Fiduciary's Responses to Findings of February 2018 Audit Report", which is attached to the Final Audit Report and made apart thereof.

FINDING NO. 7 – Notice of Death of Ward/Protected Person

(A) ACPF did not file notice of the death of a ward/protected person with the court

(B) ACPF did not timely file notice of death of wards/protected persons with the court

ACPF Response - Apache County Public Fiduciary, Yvonne Stallings, agrees with the finding. See "Apache County Public Fiduciary's Responses to Findings of February 2018 Audit Report", which is attached to the Final Audit Report and made apart thereof.

FINDING NO. 8 – Income Records/Notes

(A) ACPF client files do not contain complete records and notices to support decisions made by the fiduciary in the administration of cases.

ACPF Response - Apache County Public Fiduciary, Yvonne Stallings, agrees with the finding. See "Apache County Public Fiduciary's Responses to Findings of February 2018 Audit Report", which is attached to the Final Audit Report and made apart thereof.

FINDING NO. #9 – Incomplete Case Information to Auditors

(A) ACPF provided an incomplete list of cases and case information to auditors.

ACPF Response - Apache County Public Fiduciary, Yvonne Stallings, agrees with the finding. See "Apache County Public Fiduciary's Responses to Findings of February 2018 Audit Report", which is attached to the Final Audit Report and made apart thereof.

Executive Summary

OTHER FINDINGS:

While outside the scope of the audit, the following are some of the issues found by auditors during the review of court files and ACPF client files:

- A. Petitions for Appointment of Guardian under A.R.S. § 14-5303 and Conservator under A.R.S. § 14-5404 appear to lack the minimum information as required by statute, and in conformity with ARPP Rule 4(A)(2).*
- B. Personal service of petitions for appointment of guardian and/or conservator is not effectuated on the proposed ward/protected person and notice of the hearings and filings are not being given to interested parties as required by ARPP Rules 8 and 9, and A.R.S. § 14-5309 and § 14-5405.*
- C. Letters of Appointment are not issued by the Court as required by ARPP Rule 26, A.R.S. § 14-5605.*
- D. Letters of conservatorship are not filed or recorded in the county where the property of the protected person is located as required by A.R.S. § 14-5421.*
- E. Forms required by ACJA § 3-302 are not being used.*
- F. Orders to Fiduciary as required by ARPP Rule 25 were not filed or entered by the court.*

ACPF Response - Apache County Public Fiduciary, Yvonne Stallings, agrees with the finding. See "Apache County Public Fiduciary's Responses to Findings of February 2018 Audit Report", which is attached to the Final Audit Report and made apart thereof.

DIVISION DIRECTOR'S NOTE:

The Apache County Public Fiduciary through Yvonne Stallings, the current Public Fiduciary, has provided a response to each finding set forth in the Audit Report. In addition, Ms. Stallings, on behalf of the Apache County Public Fiduciary, by letter dated June 21, 2018, states that she has made every effort to take corrective measure to alleviate the deficiencies, and that she fully recognizes the seriousness of these issues and will make every effort to take corrective measure to ensure future compliance.

The appointment of a fiduciary places the fiduciary in a position of trust and confidence with respect to vulnerable individuals and imposes on the fiduciary the highest duty to act for their benefit, including complying with the codes, rules, and statutes, which are put into place to ensure the safety, health and welfare of the vulnerable individuals they serve and to ensure safe-keeping and prudent management of their property and estates.

Executive Summary

It is the position of the Division that the corrective measures proposed by the Apache County Public Fiduciary do not explicitly or sufficiently address a plan for correcting the issues that have resulted in findings of non-compliance, for sustaining long-term compliance, and for providing competent fiduciary services to Apache County residents.

Given the magnitude of the findings in the audit report and the long-standing issues of non-compliance with the Apache County Public Fiduciary, the Division will conduct a follow-up audit of the Apache County Public Fiduciary in January 2019.

FINAL REPORT



**ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE OF THE COURTS
CERTIFICATION AND LICENSING DIVISION**

AUDIT REPORT

The Arizona Supreme Court, Fiduciary Licensing Program conducted a compliance audit of the Apache County Public Fiduciary, (ACPF) licensed fiduciary business entity [REDACTED] pursuant to Arizona Revised Statutes (A.R.S.) § 14-5651 and Arizona Supreme Court Administrative Order 2003-31. The Program Management and Audit Unit audited the fiduciary activities of the Apache County Public Fiduciary, including the administrative and work responsibilities of former licensed fiduciary Patricia Hall (Hall), and current licensed fiduciary, Yvonne Stallings (Stallings), license number [REDACTED] for the period of time January 1, 2016 through January 31, 2018.¹ The following is a summary of the audit.

BACKGROUND

The Arizona Code of Judicial Administration (ACJA) § 7-202 was implemented to provide for the licensure of fiduciaries and fiduciary entities to access performance of responsibilities in a professional and competent manner and for the protection of the public in accordance with all applicable statutes, court rules, including the Arizona Rules of Probate Procedure (ARPP), and ACJA §§ 7-201, 7-202, 3-302 and 3-303.

Pursuant to A.R.S. § 14-5651 and Arizona Supreme Court Administrative Order 2003-31, the Arizona Supreme Court Fiduciary Licensure Program is authorized to conduct compliance audits of licensed fiduciaries and licensed fiduciary business entities. ACPF, license number [REDACTED] was selected at random for a compliance audit.

SCOPE AND METHODOLOGY

During the audit process, auditors were made aware of 25 client files which ACPF was appointed and/or serving as guardian, conservator, or personal representative during the period of January 1, 2016 through January 31, 2018. Of the 25 cases, four of the cases were not reviewed by the auditors because of the untimely disclosure of case information. Because auditors have noted particular concern with one of these cases, this audit report may be supplemented or amended after the auditors have subsequently reviewed the files.

¹ Pursuant to ACJA § 7-201 and § 7-202, licensed fiduciaries are required to provide active and direct supervision of other licensed fiduciaries, trainees and support staff who are employed by the fiduciary.

In addition to the court-appointed cases, auditors reviewed four cases in which ACPF is appointed as Social Security Payee.

The scope of the audit included:

1. An interview of Stallings, licensed fiduciary number [REDACTED] who is also the current principal and the Apache County Public Fiduciary
2. Review of court files for the 18 cases in which ACPF was appointed and/or serving as the court appointed fiduciary during the period January 1, 2016 through January 31, 2018
3. Review of ACPF client files, including as applicable for each respective client the following:
 - A. Pleadings
 - B. Inventories, lists of property, accountings
 - C. Guardian Reports
 - D. Correspondence
 - E. Demographics and personal information
 - F. Pictures of property
 - G. Auction paperwork, including sales of items, list of items, pictures, emails, and tax sheets
 - H. Medical, insurance and burial
 - I. Case notes
 - J. Financial income and expense statements
 - K. Client income statements (SSI, Retirement, etc.,)
 - L. Client bills, expenditure sheets submitted to county finance for payment of ward bills (green sheets) and balance sheets (white sheets) which track requests for payment of invoices and date invoices are paid
 - M. Bank account reconciliations
 - N. Fiduciary billing statements
4. Review of ACPF Policies and Procedures
5. Job descriptions for the Public Fiduciary and the Public Fiduciary assistant
6. Apache County organization chart
7. ACPF Fee Schedule
8. Written procedures provided by Stallings for:
 - A. Managing client files
 - B. Documenting and maintained detailed notes of decisions made on behalf of clients
 - C. Preparing budgets, inventories, and accountings for clients

- D. Administering accounts receivable and payable for clients
 - E. Marshalling assets
 - F. Visiting wards
9. Review of business practices, file management, and processes
 10. Review of internal controls for financial and accounting system
 11. Review of procedures for sale of property through the Apache County Public Auction
 12. Onsite visit to the storage units where client property is held and stored for public auction
 13. Yavapai County Public Auction website
 14. Yavapai County Assessor Records

OBJECTIVE

Within the stated scope, the objective of the audit was to determine compliance with applicable Arizona Revised Statutes, the Arizona Rules of Probate Procedure, Arizona Judicial Code of Administration §7-201, §7-202, §3-302, and §3-303, with specific attention given to:

- Prudent management of assets and costs.
- Marshalling of assets, including identifying, securing, titling, valuing, storing, selling, and disbursing
- Timely and accurate filing of documents, pleadings, accounts, and reports with the court.
- Ward Visits
- Informed consent
- Arizona Statewide Fee Guidelines

SUMMARY OF FINDINGS

As part of the compliance audit, auditors were at the Apache County Superior Court and reviewed court files in which Apache County Public Fiduciary was appointed as guardian, conservator, personal representative, or special administrator. In addition, auditors were onsite at the Apache County Public Fiduciary's Office.

While auditors were onsite at ACPF's office, both Stallings and Hall were accessible and accommodating. It is the opinion of auditors that both Stallings and Hall have genuine interests in the well-being of the wards. Notable to auditors was the appearance of a good working relationship between ACPF and the staff and professionals in the community social service programs. Stallings and Hall seem to be very aware of the personal needs and distinguishing circumstances of each of the wards served by ACPF. While it is apparent to auditors that Stallings, the current ACPF, strives to provide the best services to the wards, the following issues of non-compliance were found during the audit:

FINDING NO. 1
BUDGETS

ISSUES:

- (A) ACPF did not institute and file an initial/first budget, and give notice to interested parties as applicable for wards in any case in which it was appointed as conservator.
- (B) ACPF did not file an annual budget with each conservator's account, and give notice to interested parties as applicable for wards in any case in which it was appointed as conservator.

AUTHORITY:

ACJA § 7-202(J)(1)(a): [Duty to the Court.] The fiduciary shall perform all duties and discharge all obligations in accordance with current Arizona law, federal law, administrative rules, court orders, court rules, administrative orders, and the Arizona Code of Judicial Administration.

ACJA § 7-202(J)(1)(c)(2): [Duty to the Court.. The fiduciary shall: Provide or ensure that reports, notices, financial accounts, and other documents are timely, complete, accurate, understandable, in a form acceptable to the court, consistent with the requirements specified in Arizona law, court rule, and the applicable sections of the Arizona Code of Judicial Administration;

ARPP, Rule 30(A): [Financial Order] Following the appointment of a conservator for an adult, the conservator shall institute and follow a budget, as set forth in Rule 30.3, unless otherwise ordered by the court...

ARPP, Rule 30.3: [Conservatorship Estate Budget] A. Unless otherwise ordered by the court, the conservator shall file a budget not later than the date the inventory is due and thereafter with each conservator's account, following consultation with any attorney or guardian ad litem for the protected person. The first budget shall cover the date of the conservator's initial appointment through and including the end date of the conservator's first account.

B. Unless otherwise ordered by the court, the budget shall be filed in the format set forth in the appropriate form prescribed in the Arizona code of judicial administration.

C. The conservator must provide a copy of the budget to all persons entitled to notice of the conservator's accounts pursuant to Arizona revised statutes Section 14-5419(C).

As the conservator, ACPF is required establish and file an initial/first budget within ninety (90) days of appointment, and establish and file a new budget with the court every year thereafter with the annual accounting.

While reviewing court files and ACPF client files, auditors noted that ACPF had not prepared or filed budgets for the protected persons. When asked by auditors if she prepares projected budgets for the wards, Stallings indicated that she meets with wards regarding their monthly budgets if

they are capable of understanding. She stated that in some cases she also meets with the ward and their caseworker and prepares a budget using a whiteboard to determine monthly income and expenses for the ward. When asked by auditors if she prepares proposed budgets for filing with the court, Stallings stated that “No, we’re not required to do that.” While Stallings indicated that the courts do not require budgets, and she has not seen one submitted, she later told auditors that the Court has not actually said not to do one. When asked by auditors if she prepares budgets that are not filed with the court, Stallings explained a process which she performs to pay and track expenditures, which she noted was not a budget per se. She explained a process in which she or Hall compare expenditures which are written on a “white sheet” and used to track expenditures, with a bank reconciliation report which is prepared by the County Finance Department. If they notice anything is different, they notify the County Finance Department.

In the cases reviewed by the Auditors, the Auditors determined that first (proposed) budgets should have been filed in, and annual budgets are due to be filed in the following cases:

- GC2017-011 - first budget due in 1017;
- GC2017-003 - first budget due in 2017;
- GC2016-008 - first budget due in 2016; and Annual budget due in 2017;
- GC2016-031 - first budget due in 2016; and Annual budget due in 2017;
- GC2016-017 - first budget due in 2016; and Annual budget due in 2017;
- GC2015-004 - first budget due in 2015; and Annual budgets due in 2016 and 2017;
- GC2015-007 – first budget due in 2015; and Annual budgets due in 2016 and 2017; (auditors did not review the court file or ACPF file).
- GC2015-015 - first budget due in 2015; and Annual budgets due in 2016 and 2017;
- GC2015-021 - first budget due in 2015; and Annual budgets due in 2016 and 2017;
- MH-108; first budget due in 2015; and Annual budgets due in 2016 and 2017; (auditors did not review the court file)
- GC2003-017 - first budget due in 2013; and Annual budgets due in 2014, 2015, 2016, and 2017;
- GC2004-028 - first budget due in 2013; and Annual budgets due in 2014, and 2015;
- GC2010-032 - first budget due in 2013; and Annual budgets due in 2014, 2015, 2016, and 2017;
- GC2005-018; first budget due in 2013; and Annual budgets due in 2014, 2015, 2016, and 2017;

FINDING NO. 2
INVENTORIES AND CREDIT REPORTS

ISSUES:

- (A) ACPF did not prepare an inventory in some cases.**
- (B) ACPF did not file or did not timely file an inventory in some cases.**

- (C) ACPF did not file a motion to request additional time to file an inventory in applicable cases.
- (D) In cases in which ACPF did file documents titled inventories, a value was not assigned to the property listed.
- (E) ACPF did not obtain and file a consumer credit report for any of the cases.

AUTHORITY: (INVENTORY – 1 of 2)

ACJA § 7-202(J)(1)(a): [Duty to the Court.] The fiduciary shall perform all duties and discharge all obligations in accordance with current Arizona law, federal law, administrative rules, court orders, court rules, administrative orders, and the Arizona Code of Judicial Administration.

ACJA § 7-202(J)(1)(c)(2): [Duty to the Court..The fiduciary shall:] Provide or ensure that reports, notices, financial accounts, and other documents are timely, complete, accurate, understandable, in a form acceptable to the court, consistent with the requirements specified in Arizona law, court rule, and the applicable sections of the Arizona Code of Judicial Administration;

ACJA § 7-202(J)(5)(k): [Conservatorship.] The fiduciary shall prepare complete, accurate and understandable accounts and inventories.

ACJA § 7-202(J)(6)(h): [Personal Representative.] A fiduciary acting as personal representative shall prepare complete, accurate and understandable court documents, including, but not limited to... inventories...

A.R.S. § 14-5418(A): [Inventory and records] Within ninety days after appointment, a conservator shall prepare and file with the court an inventory of the assets of the protected person on the date of the conservator's appointment, listing it with reasonable detail and indicating the fair market value of each asset as of the date of appointment. The conservator shall attach to the inventory a copy of the protected person's consumer credit report from a credit reporting agency that is dated within ninety days before the filing of the inventory.

A.R.S. § 14-3706. [Duty of personal representative; inventory and appraisal] A. Within ninety days after his appointment, a personal representative, who is not a special administrator... shall prepare an inventory of property owned by the decedent at the time of his death, listing it with reasonable detail, and indicating as to each listed item, its fair market value as of the date of the decedent's death, its nature as community or separate property and the type and amount of any encumbrance that may exist with reference to any item. B. The personal representative may file the original of the inventory with the court and send a copy of the inventory only to interested persons who request it; or, if he elects not to file the inventory with the court, he must deliver or mail a copy of the inventory to each of the heirs in an intestate estate.....

AUTHORITY: (INVENTORY – 2 of 2)

ARPP, Rule 30(A): [Guardianships/Conservatorships...Inventory] 1. Unless otherwise ordered by the court, the conservator shall file the inventory of the protected person's estate, as required by A.R.S. Section 14-5418(A), within 90 days after the conservator's letters of conservator, whether temporary or permanent, are first issued. The inventory shall list all property owned by the protected person as of the date the conservator's letters of conservator, whether temporary or permanent, were first issued, and shall provide the values of such assets as of the date of the conservator's first appointment. 2. If the conservator is unable to file the inventory within 90 days after the conservator's letters of conservator... the conservator shall, before the deadline, file a motion that requests additional time to file the inventory....

ARPP, Rule 31(A): [Decedents' Estates...Inventory] A. 1. Unless otherwise ordered by the court, a personal representative who is required to prepare an inventory shall, not later than 90 days after the personal representative's letters are issued, either: a. file the original of the inventory with the court and send a copy of the inventory to interested persons who request it; or b. deliver or mail a copy of the inventory to each of the heirs of an intestate estate, or to each of the devisees if a will has been probated, and to any other interested persons who request it, and shall provide proof of the mailing by notice to the court. 2. The inventory shall list all the property owned by the decedent at the time of the decedent's death as known by the personal representative on the date the inventory is prepared, and shall provide the values of such assets as of the date of the decedent's death. 3. If a personal representative who is required to prepare an inventory is unable to comply with the deadline set forth in this rule, the personal representative shall, before the deadline, file a motion that requests an extension of the deadline....

An inventory of a protected person's assets, or the assets of the estate is required to be filed within 90 days of appointment. The inventory should contain reasonable detail, and a value for each item on the inventory should be listed next to the item.

While reviewing court files and ACPF client files, auditors noted that ACPF did not file inventories as required by or which complied with A.R.S. Title 14, the ARPP, or the ACJA. During an interview with auditors, Stallings stated that she does not do inventories for conservatorships. She stated that generally the protected persons do not have any property, just "personal belongings" only. She said they do not own their own home, and most are housed in long-term care or low-income apartments. She also stated that she does not go into their homes to inventory their property. When asked by auditors how she determines what property they have, she stated that she generally goes by what the protected person tells her or what others tell her. She also stated that, when they can, they do file a final inventory. Auditors noted handwritten lists of property in some of ACPF cases which were filed with the court at various stages of the administration of the case, but the items listed as personal property did not contain values.

- Auditors also noted that in the following cases, documents titled inventory were filed with the court, but lacked valuation of property and were not timely filed: GC2013-028, GC2015-015, GC2004-028, and GC2005-018.
- In PB2017-009 and in PB2017-045, an inventory was filed with the court at the time the Statement of Administration was filed, however, no values were assigned to the items of property listed. In GC2015-015, an inventory was filed with the court when the Petition for Appointment was filed, but no values were assigned to the items of property.

In addition, in PB2017-045, auditors noted in reviewing ACPF client files, that since the date of Authorization to Administer Estate, ACPF has identified additional financial accounts in the decedent's name, the value of which exceeds \$145,000.00. Auditors noted that an updated inventory has not been filed with the court, and Stallings has not "applied for letters for the estate" as required by A.R.S. §14-5605(B).

- In GC2003-017, auditors noted that a notarized document titled Annual Account of Conservator was filed on July 27, 2017. The document states that ACPF has prepared and filed with the court an inventory and appraisal of the protected person's estate and has sent a copy to those people entitled by law to receive it. When auditors asked for a copy of the inventory, Hall told auditors that an inventory was not done because the foster mom was unable to provide a list of the ward's property. The same type of Annual Account was signed by Hall, notarized and filed with the court in cases GC2010-032 and GC2005-018, however, there is no indication that actual inventories with appraised values were prepared.
- Auditors noted that no inventories were filed with the court in the following cases: GC2017-011, GC2016-008, GC2016-017, GC2013-028, GC2015-003, GC2015-021, and GC2016-018. In GC2016-031, auditors noted that a handwritten document titled inventory and dated October 2, 2017, was in the ACPF client file, but no value was assigned to the items.
- Auditors noted that in GC2017-011, the ward owned a home, however, Stallings stated that due to the hazardous conditions of the home and because she was required to wear a hazmat suit to enter the home, she did not inventory the property, and the house was under a trustee sale to be held in May 2018.

In addition to the requirement of filing an inventory with the court, the conservator is required to include a copy of the protected person's credit report from a credit reporting agency with the inventory and appraisal. The credit report must be dated within ninety (90) days of filing it with the court.

Auditors noted that consumer credit reports were not obtained or filed in any of the cases. When asked by auditors if credit reports were obtained, Stallings stated that they do not get credit reports for the protected persons.

Auditors conclude that ACPF is not preparing and filing inventories as required by A.R.S. Title 14, the ARPP, or the ACJA. While ACPF has a written policy (Policy No. 4-01: Estate Inventory which sets forth the protocols to be followed by ACPF to ensure compliance with statutory laws and rules, ACPF does not follow the policies, and has not performed its duties to ensure that inventories are timely filed, in a proper format, and that they are complete with all assets listed, long with valuations assigned to each item of property. The policy does not address or provide a protocol for obtaining and filing a credit report for conservatorship proceedings.

FINDING NO. 3 ACCOUNTS

ISSUES:

- (A) ACPF did not file annual accounts for some of its cases.
- (B) Some of the annual accounts were not timely filed.
- (C) ACPF did not file motions to request additional time to file late accounts.
- (D) Some of the annual accounts were filed for two-year periods.
- (E) Final accounts have not been filed for some cases.

AUTHORITY: (ACCOUNTS – 1 of 2)

ACJA § 7-202(J)(1)(a): [Duty to the Court.] The fiduciary shall perform all duties and discharge all obligations in accordance with current Arizona law, federal law, administrative rules, court orders, court rules, administrative orders, and the Arizona Code of Judicial Administration.

ACJA § 7-202(J)(1)(c)(2): [Duty to the Court..The fiduciary shall:] Provide or ensure that reports, notices, financial accounts, and other documents are timely, complete, accurate, understandable, in a form acceptable to the court, consistent with the requirements specified in Arizona law, court rule, and the applicable sections of the Arizona Code of Judicial Administration;

A.R.S. § 14-5605(E): [Public Fiduciary - Statement of Administration] No later than twelve months from the filing of the statement of administration, the public fiduciary shall file with the court an accounting and a proposed distribution and claim for fees if the estate is ready to be settled. If the estate is not ready to be settled the accounting shall contain a statement explaining the delay. The public fiduciary shall file subsequent accountings and explanations on an annual basis until the estate is settled.

AUTHORITY: (ACCOUNTS – 2 of 2)

ARPP, Rule 10(C)(2)(B): [Duties of Court-Appointed Fiduciaries – Duties Regarding Death of Ward or Protected Person.] Except as provided by in A.R.S. § 14-5419(F) or otherwise ordered by the court, a conservator shall file a final accounting of the protected person's estate within 90 days of the date of the protected person's death. The accounting shall reflect all activity between the ending date of the most recently approved accounting and the date of death of the protected person. The court may extend the date for filing the accounting or relieve the conservator from filing an annual or final accounting.

ARPP, Rule 30(B): [Conservator's Accounts.] 1. Unless otherwise ordered by the court, the conservator's first account shall reflect all activity relating to the conservatorship estate from the date the conservator's letters were first issued through and including the last day of the ninth month after the date the conservator's permanent letters were issued and shall be filed with the court on or before the anniversary date of the issuance of the conservator's permanent letters.

ARPP, Rule 30(B): [Conservator's Accounts.] 4. Unless otherwise ordered by the court and except as provided in A.R.S. § 14-5419(F), a conservator shall file a final account for a deceased protected person within 90 days after the date of the protected person's death.

5. If the conservator is unable to file an account within the time set forth in this rule, the conservator shall, before the deadline, file a motion that requests additional time to file the account. The motion shall, at a minimum, state why additional time is required and how much additional time is required to file the account.

As a conservator, ACPF, is required to file annual accounts with the court which reflect all activity relating to the conservatorship estate. Annual accounts of conservators are required to be filed with the court on or before the first anniversary date of the issuance of Letters of Appointment as permanent conservator, and unless ordered by the court, all subsequent accounts must report the activity of the conservator for the twelve months thereafter and should be filed with the court on or before the anniversary date of the issuance of letters as permanent conservator. If the conservator is unable to timely file the account, the conservator is required to file a motion requesting additional time to file the account with the court.

Under appointments filed as Statements of Administration, ACPF is required to provide an account of its administration of the estate, by filing with the court an accounting and a proposed distribution and claim for fees if the estate is ready to be settled. If the estate is not ready to be settled, ACPF is required to file an accounting that contains a statement explaining the delay. In addition, ACPF is required to file subsequent accountings and explanations on an annual basis until the estate is settled.

While reviewing court files and ACPF client files, auditors noted that ACPF did not file Annual Accounts as either required by or which complied with A.R.S. Title 14, the ARPP, or the ACJA. Specifically, in some cases, annual accounts had not been filed; and in some cases, annual accounts were filed but were not timely filed and covered a two-year period rather than a one-year period. Additionally, auditors noted that in two cases, final accounts have not been filed.

During an interview with auditors, Stallings stated that she is behind in preparing and filing accountings. When asked by auditors how she tracks the due dates for the accountings, Stallings stated that when she receives the minute entry by email from the Clerk of Court, she puts the due date on her calendar. When asked if she files a motion for extension of time to file the accountings with the court, she said she does not; that they do them when they have time, and they try to get them done when they can. She stated that she and Hall are currently working on some of them.

Auditors went through each of the cases below with Hall and Stallings to verify the estates of the protected persons for whom accounts are outstanding, as well as cases in which accounts have been filed:

- GC2016-008 - Annual account is due for 2017;
- GC2016-031 - Annual account is due for 2017;
- GC2016-016 - Annual account is due for 2017;
- GC2015-003 - Annual accounts are due for 2016 and 2017;
- GC2015-021 - Annual accounts are due in 2016 and 2017;
- GC2015-015 - Annual accounts are due for 2016 and 2017, and a final account needs to be filed.
- GC2015-007 – Annual accounts are due for 2016 and 2017; Auditors did not review the court file or ACPF client file but confirmed with Stallings that he accounts had not been filed.
- MH-108 - Annual accounts are due for 2015, 2016, and 2017. (ACPF was appointed Conservator on October 7, 2014). Auditors did not review the court file but confirmed with Hall that accounts had not been filed.

- In GC2004-028, ACPF was appointed Guardian and Conservator in July 25, 2012. Auditors noted that notice was given to the court that the protected person passed away on April 1, 2016. Auditors were made aware of this case while at the ACPF's office. When auditors asked for a copy of the last annual account that was prepared for the protected person, Hall told auditors the last annual account was filed in 2014, however, she was unable to produce a copy of the annual account. In addition, auditors noted that the final account has not been filed as of March 2018. Auditors conclude that annual accounts are due for 2014 and 2015, and a final account is due for the period 2016 through the date the conservator is discharged.

- In GC2010-032, ACPF was appointed as conservator on January 12, 2012. On September 14, 2017, ACPF filed a Form 9: Simplified Conservator's Account for the period of March 7, 2015 to March 6, 2017. The Annual Account is for a two-year period, and the account for 2015 is late by more than one year.

- GC2003-017 – ACPF was appointed as Guardian and Conservator on July 24, 2003. On July 27, 2017, ACPF filed a Form 9: Simplified Conservator's Account for the period of July 24, 2014 to July 23, 2016. The Annual Account is for a two-year period, and the account for 2015 is late by more than one year.

- In GC2013-028, on January 8, 2014, the file was transferred from Navajo County Public Fiduciary to ACPF. An annual account should have been filed for 2015 with a final account filed in 2016, as the ward passed away on June 22, 2016. On July 10, 2017, (approximately one year late) a Final Conservator's Account was filed for the period February 22, 2015 to October 20, 2016, along with an account summary for the period February 22, 2015 to June 22, 2016.
- In GC2005-018, ACPF was appointed as conservator on September 12, 2005. On August 10, 2017, ACPF a Form 9: Simplified Conservator's Account for the period of September 12, 2014 to September 11, 2016. The protected person passed away on August 16, 2017. Although the account filed on August 10, 2017, is for a two-year period, no final account was filed, and money in the amount of \$858.00 was still left in the protected person's bank account, on September 6, 2017, the court entered an order approving and settling the annual account for September 12, 2014 to September 11, 2016, directing the clerk of court to close the file, and ordering ACPF relieved of their duties. ACPF filed a request to award past due public fiduciary fees for the period September 11, 2016, through February 8, 2018, and on February 12, 2018, the court granted the fees, stating that ACPF previously submitted a final accounting for the dates of September 11, 2016 to February 8, 2018. Auditors noted that no formal accounting was filed for that period of time.
- In PB2017-009 – ACPF was appointed to administer the estate pursuant to a Statement of Administration signed by the court on February 17, 2017. On February 13, 2017, the Court signed an Authorization to Administer the Estate. On January 5, 2018, the Court issued a minute entry order directing ACPF to report on the status of the matter, briefly and in writing, no later than February 12, 2018. While reviewing the court file, auditors noted that ACPF did not file an accounting with the Court, and a report to the court regarding the status of the case was not in the court file. When questioned by auditors whether a written status was filed with the court as directed, Stallings provided a copy of a letter addressed to the court dated February 8, 2017, in which she reported the status of the case. Given that the letter provided by Stallings was dated February 2017, and no status report was in the court file, it is unclear to auditors whether the letter provided by Stallings satisfied the court's directive to report on the status of the matter. However, it is clear to auditors that ACPF did not file an accounting and a proposed distribution if the case is ready to be settled, or if the case is not ready to be settled, an accounting containing a statement explaining the delay which was required to be filed on or before February 13, 2018, as required by A.R.S. § 14-5605(E).
- In GC2016-018, ACPF was appointed as guardian and conservator on July 19, 2016. The protected person passed away on December 17, 2016. Auditors noted that that no final account had been filed. When asked about the final account by auditors, Stallings stated that because ACPF was only appointed for six months before the protected person passed away, they did not open a checking account for her. She received \$400 per month in Social Security, and ACPF paid her bills using her EBT (electronic benefit transfer) card to pay her bills and to get money orders to pay her low-income housing rent.

- In GC2015-004, court pleadings indicate that ACPF was appointed as guardian and conservator for the ward/protected person on March 18, 2015. Auditors noted that no accountings had been filed. When auditors asked Stallings about the accountings, Stallings stated that ACPF serves only as Guardian for the ward, and that his mother serves as his Social Security Payee.

As previously noted, Stallings stated to auditors that she and Hall are working on getting the accounts prepared and filed with the Court. Hall indicated that some of the reports were almost done and she just needed to put the internal accounting information for the protected persons that the Apache County Finance Department (finance department) maintains together.

Auditors noted that the finance department administers the checking accounts for the protected persons, estates, and Social Security Payee recipients which ACPF is appointed as conservator or personal representative by the court or serves as Payee. Stallings explained that upon appointment, bank accounts are opened for the protected persons. The bank accounts are titled in the respective name of the protected person with ACPF named as the Conservator. The checkbooks for each protected person's account is maintained by the finance department. When bills need to be paid for the protected person, Stallings issues a "green sheet", which has the name of the payee, the amount, the date, a description, and a signature to authorize it. The "green sheet" is attached to the bill/invoice and sent to the finance department. She also records the bill/invoice information on a "white sheet" that she keeps in each file. The finance department writes and signs the check, and gives the check to Stallings, and Stallings writes the check number and amount on the white sheet, and gets the check to the payee. Every month, Stallings prints copies of bank statements and checks for each protected person's bank account, and gives the copies of the statements and checks to the finance department. The finance department reconciles the bank statements and returns the monthly bank statements and checks with the monthly reconciliations reports to Stallings. Stallings matches the reconciliations with the white sheets in each file. The finance department also prepares the financial activity reports for the protected persons which are attached to the accountings.

Auditors noted this to be a cohesive process, and noted a similar process for the Social Security Payee clients.

In addition, and with respect to the finances of the protected persons and the Social Security Payee clients, auditors note that according to Stallings, she provides the financial records of the protected persons and payees to a company by the name of Number Crunchers to determine whether tax returns are required and to have the tax returns prepared and filed on behalf of the protected person or payee.

FINDING NO. 4
MARSHALLING AND SECURING ASSETS
CO-MINGLING ASSETS OF THE WARDS
COMPETENT MANAGEMENT OF PROPERTY

ISSUES:

- (A) In some cases, ACPF has not taken reasonable steps to marshal and secure the property and income of the protected person or the decedent's property.
- (B) In some cases, ACPF has co-mingled the property of protected persons and decedents' estates.
- (C) In some cases ACPF has not provided competent management of property.
- (D) ACPF has not applied for letters of administration for an estate when the value of the estate exceeded \$20,000

AUTHORITY: (Marshalling Assets – page 1 of 2)

ACJA § 7-202(J)(1)(a): [Duty to the Court.] The fiduciary shall perform all duties and discharge all obligations in accordance with current Arizona law, federal law, administrative rules, court orders, court rules, administrative orders, and the Arizona Code of Judicial Administration.

AJCA § 7-202 (J)(5)(c): [Marshalling of Assets- Conservator] On appointment, the fiduciary shall take reasonable steps to marshal and secure the property and income of the protected person's estate as soon as possible. The fiduciary shall provide stewardship of the property for safekeeping and, at a minimum, record pictorially and establish and maintain accurate records of all real and personal property.

ACJA § 7-202(J)(5)(d): [Commingling Property and Assets - Conservator] The fiduciary shall not co-mingle any property or assets of the protected person's estate with property or assets of other clients' estates the fiduciary may hold as conservator or in another capacity, nor co-mingle with the fiduciary's own property or assets.

AJCA § 7-202 (J)(6)(b): [Marshalling of Assets – Personal Representative] On appointment, the fiduciary shall take reasonable steps to marshal and secure the property and income of the decedent's estate as soon as possible. The fiduciary shall provide stewardship of the property for safekeeping and, at a minimum, record.

ACJA § 7-202(J)(6)(c): [Commingling Property and Assets - Conservator] The fiduciary shall not co-mingle any property or assets of the decedent's estate with property or assets of other estates the fiduciary may hold as personal representative, or co-mingle with the fiduciary's own property or assets

ACJA § 7-202(J)(6)(d): A fiduciary shall exercise intelligence, prudence, and diligence in providing competent management of the property and income of the estate. A fiduciary acting as a personal representative shall observe the standards of care and duties applicable to trustees.

AUTHORITY: *(Marshalling Assets – page 2 of 2)*

A.R.S. § 14-5602(B): [Duties of public fiduciary; appointment; law enforcement agency; temporary protection of property; definition.] On filing a statement of administration pursuant to section 14-5605 or on obtaining an order to preserve and protect property pursuant to section 14-5606, the public fiduciary shall take possession of all properties and perform the duties prescribed in sections 14-5605 and 14-5606.

A.R.S. § 14-5605(B): [Letters testamentary or of administration...] In the event the gross assets of an estate in which the public fiduciary commences to act pursuant to a statement of administration later are found to exceed twenty thousand dollars the public fiduciary shall apply for letters for the estate.

As a conservator, personal representative, or when appointed to administer the estate of a decedent pursuant to a Statement of Administration, one of the first priorities is to marshal and protect the assets of the estate, by identifying, taking control, securing, inventorying, and managing all the assets and property, on behalf of the protected person and for the benefit of the estate.

While reviewing court files, ACPF client files, and during an interview with Stallings, as set forth in Finding No. 1 (Budgets), Finding No. 2 (Inventory), and Finding No. 3 (Accounts), auditors noted that in the cases in which ACPF is appointed as conservator and in the cases in which ACPF is appointed to administer the estate of a decedent pursuant to a Statement of Administration, ACPF did not file inventories, accountings, or budgets as required by or which complied with A.R.S. Title 14, the ARPP, or the ACJA. In addition, auditors noted several cases in which ACPF is failing to perform its duties to marshal assets, competently manage property, and not co-mingle assets of the wards.

- In GC2016-007, Stallings stated that the protected person has a shed, and that the property in the shed is not of much value except to the protected person. Auditors noted that an inventory of the protected person's property was not prepared or filed by ACPF. Auditors also noted that in the notes attached to the Court Appointed Investigator Report, the court investigator indicated that when the protected person was interviewed by the investigator on April 12, 2016, that "She has a handgun, shotgun and a rifle." Auditors did not see any records of the guns or any indication of the current location of the guns. During discussions with Stallings about guns owned by protected persons or as part of estates, she stated that when guns are found, the guns are turned over to the Sheriff's Department to be stored in their evidence room. ACPF eventually relinquishes the guns to the Sheriff's Office. The Sheriff's Office will either keep the guns or sell them. If the guns are sold, Stallings stated the Sheriff's Office will deposit the proceeds in the Sheriff's Department's general fund.

- In GC2017-011, Auditors noted that ACPF was contacted by Adult Protective Services on May 17, 2017, regarding the deplorable living conditions of the protected person. ACPF filed for temporary guardianship and conservatorship on May 25, 2017, and were ultimately appointed permanent guardian and conservator on July 6, 2017. Stallings stated to the auditors that the protected person has a home that is scheduled for at a trustee sale in May 2018. She said that the house was of value before appointment, but due to the hazardous living-conditions of the home she had to wear a hazmat suit to enter the home. She also stated that the home had a \$140,000 mortgage. Auditors did not see mortgage documents in ACPF client files, however, Auditors confirmed that a notice of trustee sale was recorded with the Apache County Assessor's Office on January 24, 2018. The records of the Apache County Assessor's Office indicate that the protected person purchased the home in 2008 for \$118,800, and that the current Full Cash Value of the home as assessed by the Assessor's Office is \$73,041. Auditor's noted that the Auction.com website lists the property as a foreclosure with estimate debt of \$103,393; however, auditors were unable to determine from ACPF files any type of equity the protected person may have had in the home and whether ACPF tried to determine the value, other than to say it was in a deplorable and hazardous condition. Auditors noted that no Letters of Appointment were issued by the court, and therefore, not recorded with the County Recorder as required.

In addition, Stallings told auditors about an incident in which money belonging to the protected person in GC2017-011 was stolen. Stallings stated that she obtained \$100.00 as birthday money for the protected person. While the money was kept in ACPF's office, it went missing. Stallings believes the money was stolen by a former employee of ACPF. Stallings stated that when she called the Sheriff's Office to make a report, the Sheriff's Office would not take the report because Stallings did not have proof that the money was taken by the employee. When asked by auditors if the money was replaced by ACPF, Stallings state that the money was not replaced by ACPF or anybody else.

- In GC2015-015, ACPF was appointed as guardian and conservator on September 29, 2015. The protected person died on September 26, 2017, and on October 10, 2017, ACPF filed a Notice of Death and Authorization to Administer Remainder of Estate (A.R.S. § 14-5605). An initial inventory, which was filed with the court on September 28, 2015, describes five-acres of land at Northfork Ranches, and a Modular Home which ACPF indicated on the inventory was to be condemned due to filth. Numerous other items are also on the list, including vehicles, motor homes, travel trailers, utility trailers, a storage area in Linden Ministorage, etc. Noted on the inventory is a statement that "Each utility trailer is packed of various items to be inventoried." Auditors noted at least three trailers on the inventory list which are utility or storage trailers. When reviewing ACFP client files, auditors noted communication between Stallings and various creditors regarding payment of bills. Stallings indicated that the protected person/decedent was a hoarder and that she had been trying to sell his property as best she could through the County Surplus as time allows and as weather permits. When asked by auditors what she meant by those statements, she said that sometimes there are no auctions due to weather and

there hasn't been sufficient personnel to help get the property ready for auction. According to Stallings, all the property in this estate is in various stages of being sold through the County Auction. Auditors noted various auction sales and receipts from sales of property beginning in January 2016. However, a vast amount of property is still in storage and needs to be sold. Stallings does not have a complete list of items that have been sold or items that need to be sold. She creates a list of the property and takes pictures of the property when she places the items on the surplus auction website. Stallings stated that the protected person/decedent has debt in the amount of \$25,000. She also stated that she contacted the creditors and some of the creditors wrote off the bill, but she still needs to sell the property to pay the remaining debt.

It is apparent to auditors that ACPF has not marshalled the assets of the estate and for over two and one-half years, ACPF has not competently managed the protected person/decedent's property and assets. Additionally, auditors have concerns that ACPF's inability to timely sell the property to pay the protected person's bills, especially his room and board, could have resulted in serious repercussions to the protected person. Specifically, auditors noted correspondence between Stallings and the memory care facility where he lived prior to his death regarding late or non-payment of rent and late charges to the facility. Failure to sell the property and assets has also hindered the administration of the estate, including payment of the protected person/decedent's bills.

- In PB2017-0045, on July 6, 2017, ACPF filed a Statement of Administration under A.R.S. § 14-5605. On July 12, 2017, the court authorized ACPF to administer the estate pursuant to A.R.S. § 14-5605 for estates under \$20,000. Auditors note that an initial inventory was filed with the court on July 6, 2017. The inventory lists three guns and indicates that the guns are held at the Sheriff's Office. The inventory also shows approximately 600 CD's, three vehicles, a trailer house described as unlivable, and a lot in River Meadow Ranch.

When questioned about the guns held by the Sheriff's Office, Stallings stated that the guns are taken by the Sheriff's Office and stored by the staff who handles the evidence for the Sheriff's Office. She said that eventually, she will sign some type of paperwork that relinquishes the guns to the Sheriff's Office. Stallings stated that she does not sell the guns and cannot sell the guns at the County Surplus auction. For this reason, the guns are relinquished to the Sheriff's Office. The Sheriff's Office will either keep the guns or sell them. If the guns are sold, Stallings stated that the Sheriff's Office will deposit the proceeds in the Sheriff's general fund.

When questioned about the property, Stallings stated that the decedent lived in a dilapidated trailer in the Petrified Forest. She showed the auditors pictures that she had taken of the home. She stated that she did go into the house to look for papers and other items of value and importance, and that she retrieved mail, but was unable to locate a will. She had the decedent's mail forwarded as of June 7, 2017, and auditors noted that Stallings had requested first class/priority and express mail, and newspapers, magazines, and packages be forwarded to ACPF. Standard mail was not forwarded. After the mail was forwarded to ACPF, Stallings was made aware of additional financial accounts,

including bank accounts, stock and other investment accounts in the decedent's name; the total value of which is in excess of \$145,000. Additionally, when asked by auditors if she has secured the accounts, Stallings stated that she has not notified all of the financial agencies, but that she has the paperwork and will do that as soon as she has time. Auditors did note correspondence with one of the three financial institutions where the stocks are held that indicated she was inquiring as to any beneficiaries of record.

Auditors noted that some of the decedent's property which is being held in ACPF storage shed is not listed on the initial inventory, specifically, auditors noted three motorcycles in the storage shed which were not on the list and which Stallings is currently preparing to sell at the county auction.

Auditors noted that Stallings has not filed an amended inventory, and she has not "applied for letters for the estate" as required by A.R.S. § 14-5605(B) in order to administer the estate as required by statute, and to secure the financial accounts and the real property owned by the decedent, which according to the Apache County Assessor records has a full cash value of \$16,790. It is apparent to auditors that ACPF is not proficient with the statute and requirements for managing the property and administering the estate.

- In PB2017-009, the decedent died on March 3, 2016. ACPF was made aware of the decedent's death in April of 2016. Auditors noted correspondence between Stallings and the Social Security Administration dated April 15, 2016, in which Stallings indicates that the County Attorney suggested that ACPF become payee due to the fact that there are funds and the decedent has no family. The Social Security Administration explained that ACPF could not be appointed as payee for a deceased person. In an email to the County Attorney, Stallings indicated that the decedent has some belongings and a small amount of money. On February 2, 2017, almost a year after the decedent's death, ACPF filed a Statement of Administration and a Statement of Administration was signed by the court on February 17, 2017. An initial inventory was filed on February 2, 2017. The inventory contained a list of various household and personal items, but did not list the small amount of money that was referred to in the email of April 15, 2016. When asked by auditors why the estate had not been closed, Stallings stated that the decedent's property has not been sold. The property is in the county surplus storage awaiting to be placed on the county auction.

It is apparent to auditors that by keeping the property of the decedent in storage for almost two years, ACPF has not competently managed the decedent's property and assets. Additionally, auditors have concerns that ACPF's inability to timely sell the property has hindered the administration of the estate, including payment of ACPF fees.

Auditors conclude that ACPF is not competently performing its duty to secure, marshal and competently manage the personal property and assets of the protected persons, as well as its duty to secure, marshal, and competently manage the financial assets and property of decedents. The auditors note that while ACPF has a written policy (Policy No. 4-01 Estate Inventory – Section No. 4: Asset/Income Management Guidelines) which establishes protocol ACPF will follow to

“ensure the client’s assets and income is properly marshaled, protected, administered, and accounted for from the date of court appointment and through the administration the case,” ACPF is not adhering to the protocols in the written policy to ensure compliance with statutory laws and rules.

In addition, when auditors observed the storage sheds and storage trailer where assets and property of the protected persons and wards are stored, it was apparent that ACPF has co-mingled the assets and property of protected persons and estates. Stallings explained a process whereby when the property is delivered to one of the county sheds, the property of a protected person or estate is marked and stored until she has time to prepare the property for surplus sale. When she needs to sell the property, she identifies the property to sell, takes a picture of it, and uploads it to the county surplus website. When asked by auditors how she determines the value, she stated that generally she will do a search for the property on the internet but there have been some cases where she has not been able to identify what the property is and has consulted other employees of the county to try to identify the property and a proper value. Auditors observed the property in two storage sheds and in a storage trailer. Some items were clearly marked and identified as to the rightful owner and others were not labeled or could not be clearly identified to the rightful owner.

FINDING NO. 5
ANNUAL GUARDIAN REPORTS
WARD VISITS

ISSUES:

- (A) ACPF has not filed annual Guardian Reports for some wards.**
- (B) Some of the Guardian Reports filed for wards are for two-year periods.**
- (C) Some of the Guardian Repots are incomplete.**
- (D) Auditors are unable to determine number of visits to some protected wards.**

AUTHORITY: *(Annual Report of Guardian – Page 1 of 2)*

ACJA § 7-202(J)(1)(a): [Duty to the Court.] The fiduciary shall perform all duties and discharge all obligations in accordance with current Arizona law, federal law, administrative rules, court orders, court rules, administrative orders, and the Arizona Code of Judicial Administration.

ACJA § 7-202(J)(4): [Guardianship.] ... The fiduciary or the fiduciary’s qualified representative, if the ward is located outside the county or state, shall visit the ward no less than quarterly and as often as is necessary to ensure the client’s well-being...

AUTHORITY: *(Annual Report of Guardian – Page 2 of 2)*

A.R.S. § 14-5312(A)(5) [General powers and duties of guardian.] A guardian is required to report the condition of the ward and of the estate that has been subject to the guardian's possession or control, as required by the court or court rule.

A.R.S. § 14-5315(A): [General reports; contents] A guardian shall submit a written report to the court annually, pursuant to rules adopted by the supreme court, on resignation or substitution as guardian and on termination of the ward's disability.

ARPP, Rule 30(C): [Annual Guardian Reports] 1. Unless otherwise ordered by the court, the guardian's first annual report shall cover the time from the date the guardian's letters were first issued through and including the last day of the ninth month after the date the guardian's permanent letters were issued. The report shall be filed with the court on or before the anniversary date of the issuance of the guardian's permanent letters. 2. Unless otherwise ordered by the court, all subsequent annual reports of guardian shall cover the time from the ending date of the most recent previously filed annual report of guardian through and including the last date of the twelfth month thereafter. The report shall be filed with the court on or before the anniversary date of the issuance of the guardian's permanent letters. 3. If the guardian is unable to file an annual report of guardian within the time set forth in this rule, the guardian shall, before the deadline, file a motion that requests additional time to file the report. The motion shall state why additional time is required and how much additional time is required to file the report.

ACJA § 7-202(J)(1)(c)(2): [Duty to the Court...The fiduciary shall: Provide or ensure that reports, notices, financial accounts, and other documents are timely, complete, accurate, understandable, in a form acceptable to the court, consistent with the requirements specified in Arizona law, court rule, and the applicable sections of the Arizona Code of Judicial Administration;

Guardians are required to report annually, in writing, with respect to the ward's residence, physical and mental health, whether there still is a need for a guardian, and the ward's financial situation. The report is due each year on the anniversary date of the appointment of the guardian. In addition, copies of the Guardian Report are to be sent to interested persons.

While reviewing court files and ACPF client files, auditors noted that many of the guardianship files did not contain copies of Annual Guardian Reports. During an interview with auditors, Stallings indicated that she is behind in filing guardian reports. She indicated that she and her assistant, the former licensed fiduciary, Hall, are currently working to get the reports caught up. When asked by auditors how she tracks visits and dates of visits to the wards, Stallings stated that she keeps track of the visits mostly through case notes, by putting the visit dates on her calendar, and also by emails. When asked by auditors how she tracks the due dates for the Annual Guardian Reports, Stallings stated that when she receives minute entries by email from the Clerk of Court, she puts the Guardian Report due dates on her calendar about three weeks before the report is due.

Auditors did not see that ACPF filed any motions to request additional time to file the reports with the court, although Stallings stated that Judges have asked her what ACPF is going to do about the annual accounts that are past due, and she informally told them that when ACPF gets a new staff person, they will get caught up.

Auditors determined, and Stallings confirmed that Guardian Reports for the following wards are delinquent as follows:

- Annual Guardian Reports were due to be filed in 2017 and have not been filed in case numbers: GC2016-008, GC2016-031, and GC2016-017.
- In GC2016-007, auditors were made aware of this case after the onsite visit and did not review the court file or ACPF client files. Auditors confirmed with Stallings that guardian reports are due for 2016 and 2017.
- Annual Guardian Reports were due to be filed in 2016 and in 2017, and have not been filed in 2016 or in 2017 in case numbers: GC2015-003, GC2015-004, GC2013-028 (DOD: 6/22/2016), GC2015-015 (DOD: 9/26/2017), GC2015-007, and GC2015-021.
- In MH-108, ACPF was appointed as Guardian and Conservator. Auditors did not review the court file, but confirmed with Stallings that Annual Guardian Reports are due for 2015, 2016, and 2017.
- Annual Guardian Reports were filed in 2017 for the following wards, however, the time periods were for two years rather than annually: GC2003-017 filed on 7/27/2017 for period 7/24/2017 – 2/23/2016; GC2010-032 filed on 9/14/2017 for period 3/7/2015 – 3/6/2017, and GC2005-018 on 8/10/2017 for period 9/12/2014-9/11/2016.
- In GC2004-028, Hall indicated that the last Guardian Report filed was in 2014, but auditors could find no record of the Guardian Report for 2014 and Hall could not produce a copy of the Guardian Reports from ACPF client files. The ward passed away on April 1, 2016.
- The Guardian Report filed in GC2010-032 on 9/14/2017, is incomplete in that the number of times the ward was seen by the guardian in the last twelve months and the date the guardian last saw the ward are both blank.
- In GC2013-028, on January 8, 2014, the file was transferred from Navajo County Public Fiduciary to ACPF. The ward passed away on June 22, 2016. No Report of Guardian was filed by ACPF in 2015. On July 10, 2017, ACPF filed a Supplemental Guardian Repo (sic) pertaining to the 'Ward's Status' in which a copy of the ward's death certificate was attached.
- In GC2014-004, ACPF was appointed as Co-Guardian of the ward. Because auditors were not aware of this case while they were onsite, auditors were unable to review ACPF

client file or the court file. However, according to Stallings, since she was appointed as Co-Guardian (the ward's father is the other Co-Guardian), she has not prepared or filed a Report of Guardian. She stated that it is another one she needs to get caught up.

Pursuant to A.R.S. § 14-5315, and Arizona Rules of Probate Court Procedure Rule 30(c), every guardian of a protected or incapacitated adult or minor is required to advise the court each year regarding their Ward. The report must be completed and filed each year on or before the date listed in the Order or if no date is specified, on or before the anniversary date of the "Letters of Appointment". As part of the Annual Report of Guardian, the Guardian is required to obtain and attached a copy of doctor's report which describes the Ward's current physical and mental condition.

Auditors conclude that ACPF has not performed its duties to ensure that Annual Guardian Reports are filed timely, complete, and accurate, and that the required physician's report is attached to the report in order that the court and interested parties are aware of the ward's current physical and mental condition, particularly for determining whether it is appropriate to continue the guardianship proceedings. In addition, because some of the reports are missing information and cover an extended period of time, auditors are unable to confirm that Stallings is visiting the wards no less than quarterly and as often as is necessary to ensure the client's well-being, particularly the wards who are located in Tucson, Phoenix, Scottsdale, and Tolleson.

The auditors note that while ACPF has a written policy (Policy No. 3-04 Guardianship Reporting), which sets forth the protocols to be followed by ACPF, neither the current or former fiduciary is adhering to the protocols in the written policy to ensure compliance with statutory laws and rules.

FINDING NO. 6
PROBATE INFORMATION SHEET
NOTICE OF ADDRESS CHANGE OR LOCATION
OF THE PROTECTED PERSON OR WARD

ISSUES:

- (A) ACPF did not file a Probate Information Form with the Court for any case.**
- (B) ACPF did not file notice with the Court of Permanent Location or Address Change for some wards or protected persons**

AUTHORITY:

ACJA § 7-202(J)(1)(a): [Duty to the Court.] The fiduciary shall perform all duties and discharge all obligations in accordance with current Arizona law, federal law, administrative rules, court orders, court rules, administrative orders, and the Arizona Code of Judicial Administration.

ARPP, Rule 6(A): [...when a party files a petition or application requesting the appointment of a guardian, conservator, or personal representative, the party shall also file an information form that contains the following information:] (1) The nominated fiduciary's.... (2) ...information for the person alleged to be incapacitated, the person in need of protection, or the decedent. (b) physical address.

ACJA § 7-202(J)(1)(c)(1): [The fiduciary shall:] Inform the court, pursuant to the Arizona Rules of Probate Procedure, of a permanent change in the location...of a ward or protected person.

ARPP, Rule 10(C)(1)(c): [A court-appointed fiduciary shall:] file an updated probate information form ... if the ward's physical address changes, the ward's guardian shall file the updated probate information form within three days of learning of the change in address;

While reviewing court files and client files, auditors noted that the Probate Information Form required by Rule 6 is not filed with the court, and the auditors did not identify copies of the form in any ACPF client files.

Within the scope period of this audit, a Notice of Change of Address as required by ACJA § 7-202(J)(1)(c)(1) was not filed with the Court by ACPF in the cases reviewed by the auditors when the ward or protected person was moved to a new location during the scope period of the audit.

Outside the scope period of the audit, auditors did note a copy of a letter to the court dated April 23, 2012, advising the court that the ward was moved in GC204-028, and on September 29, 2016, Notice to the Court regarding a new location for the ward in GC2016-0017, was filed.

During an interview with Stallings, she indicated that the ward in GC2016-0017 was moved just two months ago to a hospice facility in Scottsdale, AZ. A Notice of Change of Address/Location for the ward's move was not in the court file. When auditors asked if there were other wards living outside of St. John's, Stallings stated that the ward in case number GC2017-011 is in a facility in Tucson, Arizona; the ward in GC2016-008 is in Show Low, Arizona, the ward in GC2016-031 is in a group home in Phoenix, Arizona; the ward in GC2016-017 is in a facility in Scottsdale, AZ; the ward in GC2015-003 is in a group home in Tolleson, AZ; and the ward in GC2015-004 is in the Arizona State Hospital. The auditors were unable to determine the current location of the wards/protected persons by reviewing the court files.

The purpose of the Rule 6, Probate Information Form, updating the Probate Information Form, pursuant to Rule 10, and the Notice of Change of Address/Location required by § 7-202(J)(1)(c)(1) is to provide the court with certain basic identifying information regarding the fiduciary, and their wards and protected persons, in order to identify accurately the fiduciary and

the ward or protected person, and to keep the court when the physical address of the individual has changed and when the ward or protected person moved to a different location.

Auditors noted that ACPF has a “demographic sheet” in each of the files which contains the personal identifying information of the ward/protected person, along with the individual’s address or location. However, auditors could not confirm whether the information, including the address and location of the ward or protected person is current.

Auditors conclude that by not filing and updating the Probation Information Form and by not filing a Notice of Change of Address/Location when the ward or protected person is permanently moved to another location, ACPF has neglected its duty to keep the court informed of the ward or protected person’s location or physical address.

FINDING NO. 7
NOTICE OF DEATH OF WARD/PROTECTED PERSON

ISSUES:

- A. ACPF did not file notice of the death of a ward/protected person with the court.**
- B. ACPF did not timely file notice of death of wards/protected persons with the court.**

AUTHORITY:

ACJA § 7-202(J)(1)(a): [Duty to the Court.] The fiduciary shall perform all duties and discharge all obligations in accordance with current Arizona law, federal law, administrative rules, court orders, court rules, administrative orders, and the Arizona Code of Judicial Administration.

ACJA § 7-202(J)(1)(c)(2): [Duty to the Court.. The fiduciary shall: Provide or ensure that reports, notices, financial accounts, and other documents are timely, complete, accurate, understandable, in a form acceptable to the court, consistent with the requirements specified in Arizona law, court rule, and the applicable sections of the Arizona Code of Judicial Administration;

ACJA § 7-202(J)(1)(c)(1): [The fiduciary shall:] Inform the court, pursuant to the Arizona Rules of Probate Procedure, upon the death of a ward or protected person.

ARPP, Rule 10(C)(2): [Duties Regarding Death of Ward or Protected Person:] The court-appointed fiduciary shall do the following upon the death of the fiduciary's ward or protected person: a. A guardian or conservator appointed pursuant to A.R.S. Title 14 shall notify the court in writing of the ward or protected person's death within ten days of learning that the ward or protected person has died.

A fiduciary has a duty to timely notify the court in writing of the death of a ward or protected person. In reviewing court files and ACPF client files, auditors noted that in one case ACPF did

not notify the court of the death of the ward, and in three cases, ACPF did not timely notify the court of the death of the ward.

- In case number GC2016-018 the ward passed away on December 17, 2016. As of March 5, 2018, ACPF had not filed a notice of death. During an interview with auditors, Stallings indicated that she thought she had filed a notice but was not able to produce a copy of the notice, and stated that she would file notice of death with the court as soon as possible.
- In case number GC2013-028, the ward died on June 22, 2016, and notice of death of the wad was not filed with the court until July 10, 2017, and in GC2004-028, the wad died on April 1, 2016, and notice of his death was not filed with the court until July 12, 2016. In case number GC2015-015, ACPF notified the court on October 10, 2017, that the ward died on September 26, 2017.

FINDING NO. 8
INCOMPLETE RECORDS/NOTES

ISSUE:

A. ACPF client files do not contain complete records and notices to support decisions made by the fiduciary in the administration of cases.

AUTHORITY:

ACJA § 7-202(J)(3)(e): [Decision Making.] ... The fiduciary shall maintain accurate and complete records to support the decisions made in the administration of a case, in compliance with court rules and the applicable sections of the Arizona Code of Judicial Administration.

A fiduciary has the duty to document and maintain complete and accurate records which support decisions made on behalf of wards, protected persons, and estates. In reviewing client files, auditors noted that multiple files did not have a complete record of notes to support decisions made by the fiduciary. While Stallings provided written procedures to auditors for documenting and maintaining detailed notes of decisions made on behalf of wards, multiple files contained notes for only sporadic periods of time, notes that were not current, and some files did not contain notes. During an interview with auditors, Stallings stated that she takes notes on a pad of paper and when time allows, types the notes in a Word document and prints the notes for the respective files, and that she also prints out copies of emails documenting decisions made on behalf of ward when time permits. Stallings indicated that if any of the files were deficient with notes, it was because she either hadn't had time to type up the notes, or she had typed up the notes, but hadn't printed them out to insert in the respective client files, or hadn't printed out the

emails. Stallings stated that she just got Dragon voice software, which she is hoping will help keep notes up-to-date.

While auditors noted detailed, typed notes and copies of emails in some of the files, and observed handwritten notes on yellow legal pads, they were unable to conclude that Stallings had complete records to support decisions made. Auditors are concerned that because Stallings is alone, and is ultimately responsible for decisions made on behalf of the wards, protected persons, or estates, her decisions are open to the scrutiny of other interested parties and, consequently, to criticism and challenge, and therefore, accurate and complete notes are critical to the best interests of the ward, protected person, and estate as required by the referenced code.

FINDING NO. 9
INCOMPLETE CASE INFORMATION TO AUDITORS

ISSUE:

ACPF provided an incomplete list of cases and case information to auditors.

AUTHORITY:

ACJA § 7-201(F)(4): [Role and Responsibility of Certificate Holder - Response] A certificate holder shall respond by the specific time stated in any request for information from, and shall provide documents....division staff, pertaining to ...compliance audits.

Prior to the onsite visit at ACPF, auditors requested specific information from ACPF regarding cases in which ACPF is appointed by the court or in which ACPF serves as payee. While ACPF provided a list of cases, along with related case information, auditors learned of additional cases from a search of records done by the Apache County Clerk of Court, and auditors were made aware of additional cases when the auditors were onsite at ACPF. While auditors do not believe the information was intentionally not provided by ACPF, ACPF has a duty to provide all information as requested by division staff pertaining to compliance audits, and its failure to provide all the case information hindered the ability of auditors to review the court files of all cases which may require additional research of ACPF files and related court files.

OTHER FINDINGS

While outside the scope of the audit, the following are some of the issues found by auditors during the review of court files and ACPF client files:

- A. Petitions for Appointment of Guardian under A.R.S. § 14-5303 and Conservator under A.R.S. § 14-5404 appear to lack the minimum information as required by statute, and in conformity with ARPP Rule 4(A)(2).
- B. Personal service of petitions for appointment of guardian and/or conservator is not effectuated on the proposed ward/protected person, and notice of the hearings and filings are not being given to interested parties as required by ARPP Rules 8 and 9, and A.R.S. § 14-5309 and § 14-5405.
- C. Letters of Appointment are not issued by the Court as required by ARPP Rule 26, A.R.S. § 14-5605.
- D. Letters of conservatorship are not filed or recorded in the county where the property of the protected person is located as required by A.R.S. § 14-5421.
- E. Forms required by ACJA § 3-302 are not being used.
- F. Orders to Fiduciary as required by ARPP Rule 25 were not filed or entered by the court.

Apache County Public Fiduciary Cases

Case Number	Ward/Protected Person/Estate	Case Type
GC2017-011	Karen Asquith	Guardian/Conservatorship
GC2017-003	Timothy Foley	Guardian/Conservatorship
GC2016-008	Karen Laakman	Guardian/Conservatorship
GC2016-031	Susanne Pulido	Guardian/Conservatorship
JV2008000065	Cristian Romero (did not review)	Conservatorship
GC2016-017	William Sanders	Guardian/Conservatorship
GC2016-007	Renee Chapman	Guardian/Conservatorship
GC2013-028	Barbara McCartney (closed)	Guardian/Conservatorship
GC2015-003	Terrae Arias	Guardianship
GC2015-004	Jared Magnum	Guardian/Conservatorship
GC2015-015	Lowell Hansen (deceased)	Guardian/Conservatorship
GC2015-021	Norma Rhodes	Guardian/Conservatorship
GC2016-018	Linda Lee Iveson (deceased)	Guardian/Conservatorship
PB2017-009	Julia Gilmore-Lopez	Personal Representative
PB2017-045	Stephen Leo Gribben	Personal Representative
GC2003-017	Jason Dunn	Guardian/Conservatorship
GC2004-028	John Stutterer (deceased)	Guardian/Conservatorship
GC2010-032	Lynn Deery	Guardian/Conservatorship
GC2005-018	Sarah Castillo (deceased)	Guardian/Conservatorship
GC201700004	Naomi Michelle Denton (dismissed)	Guardian/Conservatorship
MH-108	Joey Armijo	Guardian/Conservatorship
PB2014-051	Patrick Brennan	Guardian/Conservatorship
GC2014-005	Charlotte Lefevre	Guardian/Conservatorship
PB2007-048	William Stone	Personal Representative
GC2015-007	Laura VanLunen	Guardian/Conservator

Social Security Payee Cases		
	Paul Wheeler	SSI Payee
	Cheryl Varga (not disclosed by Fid)	SSI Payee
	Casimero DeGlane	SSI Payee
	Tina Delane	SSI Payee

RESPONSE TO AUDIT REPORT



Apache County Public Fiduciary

[REDACTED]

Member, National Guardianship Association
Member, Arizona Fiduciaries Association

Yvonne (Bonnie) Stallings
Public Fiduciary [REDACTED]



June 21, 2018

Arizona Supreme Court
Certification and Licensing Division
Attention: Compliance Department
1501 West Washington, Suite 104
Phoenix, Arizona 85007

Re: Apache County Public Fiduciary No. [REDACTED] Audit Report – February 2018

To Whom This May Concern:

In answer to the Audit Report of February, 2018, I have attached the response of the Apache County Public Fiduciary's Office to the findings.

I note that the period of review is January 1, 2016 to January 31, 2018. I became the licensed Public Fiduciary on May 11, 2017. Prior to this date, I was under the direction of the former Apache County Public Fiduciary.

I have made every effort to respond to the findings and to take corrective measures to alleviate the deficiencies.

However, as well be noted in the attached response, many of the errors occurred prior to my tenure as the current licensed public fiduciary.

I am thankful for this audit. It has clearly identified issues which need to be corrected and systems instituted for long term compliance.

I am waiting to receive a copy of a prior audit. It appears that many of the errors have been long term. I fully recognize the seriousness of these issues and will make every effort to take corrective measure to ensure future compliance.

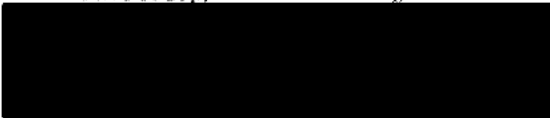
Certification and Licensing Division
Attention: Compliance Department
June 21, 2018
Page 2

Apache County has agreed to support the Public Fiduciary's Office by allowing us to purchase an Estate Management System. I was not previously authorized to purchase this system. I am confident that use of this case management tool will help ensure future compliance.

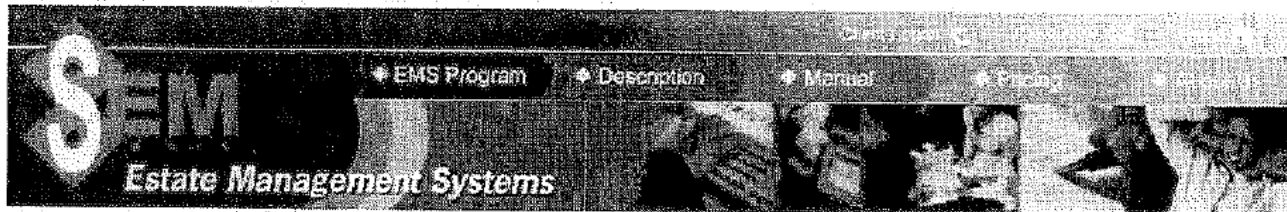
It may appear that I am trying to "pass the buck". That is not the case at all. I am fully dedicated to the wards I serve. It is very difficult to respond to actions that predate my appointment as Public Fiduciary.

I again thank you for providing me the opportunity to respond to this audit. Should you have any questions or require further assistance, please feel free to contact my office.

Sincerely,



Yvonne Stallings
Apache County Public Fiduciary
Enclosure



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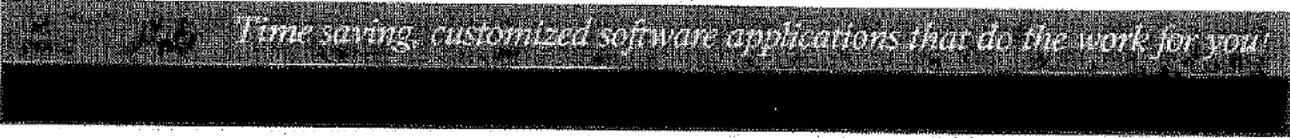
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**APACHE COUNTY PUBLIC FIDUCIARY'S RESPONSES
TO FINDINGS OF FEBRUARY 2018 AUDIT REPORT**

FINDINGS	ISSUES/RESPONSES
<p>1 – BUDGETS</p>	<p>Response (A). This office is implementing a new case management system which will facilitate an initial budget for each ward.</p> <p>Response (B). Annual budgets for each account will be prepared on or before July 31, 2018. Copies of such budget will be mailed or hand-delivered to the ward and filed with the Superior Court. The new case management program will generate these reports on a timely manner.</p>
<p>2 – INVENTORIES AND CREDIT REPORTS</p>	<p>Response (A)(B)(C)(D). This office is in the process of preparing amended inventories with values and motions to extend the time to complete this process. These documents have been filed with the Superior Court. Also, at this time, a facility is being sought in order to marshal the inventories in one area.</p> <p>Response (E). A consumer credit company has been obtained in order to complete the necessary credit reports for each ward. The</p>

**APACHE COUNTY PUBLIC FIDUCIARY'S RESPONSES
TO FINDINGS OF FEBRUARY 2018 AUDIT REPORT**

<p>2 – INVENTORIES AND CREDIT REPORTS (cont.)</p>	<p>company Reliable Background Screening. This item is being placed on the board agenda for approval.</p>
<p>3 – ACCOUNTS</p>	<p>Response (A)(B). A new case management system is being implemented which will help facilitate the preparation of annual accountings and reminders to prepare them in a timely manner. Past fiduciary was responsible for the filings but did not complete them.</p> <p>Response (C). At present, these reports are being prepared with motions to the Court requesting additional time to complete them.</p> <p>Response (D). The preparation of several annual reports was completed by the past fiduciary. This office has filed the reports in order to become compliant with the present time frame. The new case management system will help alleviate any late process.</p> <p>Response (E). At present, this office will initiate inventory in order to be able to file the final account.</p>

**APACHE COUNTY PUBLIC FIDUCIARY'S RESPONSES
TO FINDINGS OF FEBRUARY 2018 AUDIT REPORT**

4. MARSHALLING AND SECURITY ASSETS; CO-MINGLING ASSETS	<p>Response (A)(C). This office is in the process of finding a storage facility so that all assets can be placed in one area. At the present time, the Public Fiduciary's Office does not have a secure area to bring all the wards assets.</p> <p>Response (B). A convex trailer is used for three ward's belongings This office has delivered one of the ward's belongings to family members which helps in marshalling the other two wards belongings.</p> <p>Response (D). Letters of Administration have been prepared and are being filing with the Superior Court.</p>
5 – ANNUAL GUARDIAN REPORTS; WARD VISITS	<p>Response (A). A new case management system is being implemented which will help facilitate guardian reports for the wards.</p> <p>Response (B)(C). The two-year reports were prepared before my tenure but never filed. This office is presently preparing past due reports.</p>

**APACHE COUNTY PUBLIC FIDUCIARY'S RESPONSES
TO FINDINGS OF FEBRUARY 2018 AUDIT REPORT**

<p>5 – ANNUAL GUARDIAN REPORTS; WARD VISITS (cont.)</p>	<p>Response (D). Local wards are visited every month and those out of town are every two to three months. The wards have constant telephone contact with this office. Case notes have been updated.</p>
<p>6 – PROBATE INFORMATION SHEET AND NOTICE OF ADDRESS CHANGE OR PROTECTED PERSON</p>	<p>Response (A)(B). The new case management system will help us prepare the probate information forms. This office is currently preparing the needed documentation to advise the court of the ward's residences.</p>
<p>7 – NOTICE OF DEATH TO THE COURT</p>	<p>Response (A)(B). This office will verify with the Superior Court that the notification of death was filed with the Request for Termination of Guardianship. The case management system will help facilitate any reminder or preparation of documents to the court.</p>
<p>8 – INCOMPLETE RECORDS/NOTES</p>	<p>Response (A). The Dragon speaking system has been purchased in order to update the case notes on the computer. The current case notes have been updated.</p>

**APACHE COUNTY PUBLIC FIDUCIARY'S RESPONSES
TO FINDINGS OF FEBRUARY 2018 AUDIT REPORT**

9 – INCOMPLETE CASE INFORMATION	Response (A). An original case list was sent to this Office before the Audit. There was a misunderstanding that all cases were needed to be accounted for. This mistake was not intentional.
OTHER FINDINGS	Response (A). Case management will be used to implement new forms and filings with the Court. This system will be used to manage any past errors. ACJA Section 3-302 documents will be filed with the court. Response (B). Corrective action has been implemented in order for the wards to receive copies of any documentation filed in the Superior Court. Response (C). The case management system will help this office prepare letters of testamentary or appointment when appropriate, according to ARS 14-5605. Response (D). This office will review all files in order to be compliant with the letters of conservatorship. Case management will help create these forms.

APACHE COUNTY PUBLIC FIDUCIARY'S RESPONSES
TO FINDINGS OF FEBRUARY 2018 AUDIT REPORT

OTHER FINDINGS (cont.)	<p>Response (E). Case management will help facilitate the ACJA Section 3-302 forms.</p> <p>Response (F). Requests to the Superior Court were prepared by this office asking to substitute the current fiduciary.</p>
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