

Arizona Supreme Court
Administrative Office of the Courts



Fiduciary Certification

Compliance Audit

Maricopa County Public Fiduciary

Arizona Supreme Court
CLD, Compliance



Supreme Court

STATE OF ARIZONA

ADMINISTRATIVE OFFICE OF THE COURTS

Rebecca White Berch
Chief Justice

David K. Byers
Administrative Director
of the Courts

November 2, 2010

Susan Cooper
Maricopa County Public Fiduciary
222 N. Central Ave., Suite 4100
Phoenix, AZ. 85004

RE: Fiduciary Compliance Audit

Dear Ms. Cooper:

Enclosed is the final compliance audit report for the Maricopa County Public Fiduciary.

Thank you for the cooperation and assistance during the compliance audit process exhibited by you and your staff. Their hard work throughout the audit process has been appreciated. To the extent the fiduciary audit process will assist the court to ensure the safety, health and welfare of individuals and estates entrusted by the court to your management, we have benefited from our audit of Maricopa County Public Fiduciary. I hope you and your clients will equally benefit.

If you have any questions, please contact Lori Braddock (602) 452-3277.

Sincerely,

A handwritten signature in cursive script that reads "Nancy Swetnam".

Nancy Swetnam, Director
Certification and Licensing Division

Enclosures

- c. Honorable Karen L. O'Connor, Probate Presiding Judge, Superior Court in Maricopa County
- Michael K. Jeanes, Clerk of the Court, Superior Court in Maricopa County
- Cindy Trimble, Administrative Office of the Courts Internal Auditor, Arizona Supreme Court
- James Logan, Director of the Office of Public Defense, Maricopa County

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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

Maricopa County Public Fiduciary

Compliance Audit Report

The Arizona Supreme Court, Fiduciary Licensure Program conducted a compliance audit of Maricopa County Public Fiduciary, MCPF, pursuant to Arizona Revised Statutes § 14-5651 and Arizona Supreme Court Administrative Order 2003-31. During the period of May 6, 2010 through May 19, 2010 the Compliance Unit audited the fiduciary activities of Maricopa County Public Fiduciary. The following is a summary of the audit findings.

Finding # 1 – Documentation

By Arizona statute a fiduciary must keep suitable records of their administration and exhibit them upon request. MCPF was missing documentation of their administration of client accounts.

MCPF agrees with the finding.

Finding # 2 – Accuracy

Required court documents must be complete, accurate, and understandable. The beginning and ending balances of multiple accountings do not balance with the previous as they should.

MCPF disagrees with the finding.

Finding # 3 – Late Filings

MCPF did not file an Inventory and Appraisal or Annual Accounting as required by Arizona statute.

MCPF disagrees with two of the five examples of the finding and agrees with three of the five examples.

Finding # 4 – Failure to File Required Court Documents

MCPF must provide all required court reports and documents to the court.

MCPF disagrees with the first example of the finding and agrees with the second example of the finding.

Executive Summary

Finding # 5 – Marshalling Assets

MCPF did not marshal funds managed by the prior fiduciary until five months after their appointment.

MCPF agrees with the finding.

Finding # 6 – Diligence

MCPF must pay client accounts in a timely manner as well as manage them in the best interest of the client.

MCPF agrees with the finding.

Finding # 7 – Required Visitation

MCPF did not visit a ward as required.

MCPF agrees with the finding.

FINAL REPORT

Maricopa County Public Fiduciary Compliance Audit Report

Objective

The compliance audit of the Maricopa County Public Fiduciary was conducted pursuant to the Fiduciary Program's responsibilities as set forth in A.R.S. § 14-5651, Arizona Supreme Court Administrative Order No. 2003-31 the Arizona Code of Judicial Administration ("ACJA") § 7-201: General Requirements and § 7-202: Fiduciaries¹, and the Arizona Rules of Probate Procedure ("ARPP").

The objective of the compliance audit was to determine compliance with applicable statutes, Arizona Supreme Court orders and rules and ACJA § 7-201 and § 7-202.

Methodology

In preparation for the compliance audit, preliminary survey questions were requested and responded to by the Maricopa County Public Fiduciary ("MCPF"). The responses were reviewed and compiled to assist in the development of case file samples. In addition, information was requested from the Superior Court in Maricopa County to verify court appointment information.

In order to test for compliance, the program has developed and currently utilizes a set of fiduciary compliance attributes consisting of Arizona statutes, Arizona Supreme Court rules and ACJA §§ 7-201 and 7-202. Compliance with these requirements was tested by staff interviews, observation and reviewing samples of client case files.

A stratified sampling approach was used. The selected samples of court appointed client case files were designed to provide conclusions about the accuracy, validity and timeliness of transactions, internal controls and compliance with the fiduciary attributes utilizing a cross-section of samples of court appointment types. Client case files were selected by type of appointment, length of appointment, type of required client protection and initiation or termination of appointment during the review time frame.

Beginning May 6, 2010 and prior to beginning the onsite fieldwork, the auditors reviewed the selected client court files from the Superior Court in Maricopa County and conducted an internal controls interview with MCPF staff.

¹ Arizona Codes of Judicial Administration, General Requirements & Fiduciaries, January 1, 2007

Maricopa County Public Fiduciary Compliance Audit Report

	<p>During the period of May 6, 2010 through May 19, 2010 the Compliance Unit of the Certification and Licensing Division of the Administrative Office of the Courts, Arizona Supreme Court, conducted the onsite compliance portion of the audit of the MCPF office. The onsite compliance audit consists primarily of fiduciary client case file review. The audit also included the fiduciary activities of the principal fiduciary, licensed and unlicensed staff. An Exit Interview was conducted May 27, 2010.</p> <p>MCPF was the court appointed fiduciary on 367 guardian, 59 conservator, 164 combination guardian/conservator, and 37 personal representative cases as of April 30, 2010. MCPF has approximately \$15,462,027.53 in court-appointed client assets under management.</p> <p><i>Scope</i></p> <p>The compliance audit team reviewed a selected stratified sample of twenty (20) client case files of court appointments and terminations, focusing on the internal controls, processes, timeliness, accuracy, statutory and ACJA requirements of client case administration.</p> <p><i>Summary</i></p> <p>MCPF staff extended professional courtesies and cooperation to the audit team during the course of the audit.</p> <p>The compliance audit found non-compliance in seven (7) areas. The non-compliance was found in the areas of documentation, accuracy, late filings, and failure to file required court documents, marshalling assets, diligence, and required visitation. These findings are discussed as follows:</p>
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Maricopa County Public Fiduciary Compliance Audit Report

<p><i>Finding # 2</i></p> <p><u>Accuracy</u></p> <p><i>Arizona Code of Judicial Administration § 7-202 (J)(4)(j)</i></p> <p><i>Requirement</i></p>	<p>Required court documents must be complete, accurate, and understandable.</p> <ul style="list-style-type: none"> • The ending balance of the Conservatorship’s First and Final Accounting does not agree with the Personal Representative Inventory and Appraisement – Client # 3 • The beginning balance of the first Annual Accounting does not match the Inventory and Appraisement – Client # 7 <p>MCPF must ensure every document filed with the Superior Court is complete, accurate and understandable.</p>
<p><i>Auditee's Response</i></p>	<p><i>“Disagree”</i></p> <p><i>“Client #13: When the final distribution was made from the Conservatorship and deposited into the Estate, a data entry error was made, resulting in the deposit to the estate being lower than the amount actually deposited. This error was detected almost immediately, by safeguards in place. A correcting entry was made to our system. The correcting entry was listed in the Final Accounting and approved by the court.”</i></p> <p><i>“Client #17: The amended inventory report underreported the asset schedule by one dollar and this was displayed and correctly reported in the ending balance of the first annual accounting.</i></p> <hr/> <p>AUDITOR’S NOTE: FINDING STANDS</p> <p>Example #1: The error was not clear to the courts example stands.</p> <p>Example #2: Example Dismissed</p>
<p><i>Corrective Action</i></p>	<p><i>“Although the MCPF disagrees with the finding. We have instituted a secondary review process for all inventories and accounting.”</i></p>

Maricopa County Public Fiduciary Compliance Audit Report

<p><i>Finding # 3</i></p> <p><u>Late Filings</u></p> <p><i>ARS § 14-5315(A)</i> <i>ARS § 14-5418(A)</i> <i>ARS § 14-5419 (A)</i></p> <p><i>Arizona Code of Judicial Administration § 7-202(J)(2)(e)</i></p> <p><i>Arizona Rules of Probate Procedure Rule 30(A)</i></p> <p><i>Requirement</i></p>	<p>A licensed fiduciary must ensure any document filed with the Superior Court is timely.</p> <ul style="list-style-type: none"> • The Inventory and Appraisement was not filed within 90 days of temporary appointment – Client # 10 • The Annual Accounting was filed late – Client # 13 • The Annual Report of Guardianship was not filed on time – Clients # 14, 15, & 17 <p>MCPF must submit the inventory and appraisement, annual accountings, guardianship reports, and/or proof of restriction on or before the statutorily required due date or court ordered due date for each client.</p>
<p><i>Auditee's Response</i></p>	<p><i>“Client #10 and Client #13: Disagree”</i></p> <p><i>“The inventory appraisement and annual accounting were filed in accordance with the court filing requirements in place at that time, that is of within 90 days of appointment.”</i></p> <hr/> <p>AUDITOR’S NOTE: Example Stands, it is our position that the Fiduciary responsibility begins the date of appointment; temporary or permanent.</p> <hr/> <p><i>“Clients #14, #15, and #17 Concur.”</i></p>
<p><i>Corrective Action</i></p>	<p><i>“Effective June 16, 2010, the MCPF implemented and Interim Policy regarding Processing and filing Reports of Guardian. (Attached) was adopted. The same interim policy was verbally adopted regarding Inventories, Appraisements, and Accountings. The Interim Policy requires timely filing of all Guardian Reports, Accountings, Appraisements, and Inventories. The MCPF expects to have final policies and procedures in place no later than September 15, 2010.”</i></p>

Maricopa County Public Fiduciary Compliance Audit Report

<p><i>Finding # 4</i></p> <p><u><i>Failure to File Required Court Document</i></u></p> <p><i>ARS § 14-5419(A)</i> <i>ARS § 14-5315</i></p> <p><i>Requirement</i></p>	<p>Every conservator must account to the court for the administration of the estate not less than annually and on resignation or removal and on termination of the conservatorship.</p> <ul style="list-style-type: none"> • No Annual Report of Guardian was filed for 2002 – Client # 1 • The First and Final Annual Accounting has not been filed with the court – Client # 9 <p>The fiduciary must provide all required court reports and documents.</p>
<p><i>Auditee's Response</i></p>	<p><i>“Client #1: Disagree.”</i> <i>“MCPF was appointed Personal Representative on June 16, 2010. MCPF was not guardian or conservator prior to this appointment. An Annual Report of Guardian was not necessary or required in 2002.”</i></p> <hr/> <p style="text-align: center;">AUDITOR’S NOTE: Example Dismissed</p> <hr/> <p><i>“Client #9: Concur.”</i> <i>“The First and Final Annual Accounting was filed on May 9, 2010”.</i></p>
<p><i>Corrective Action</i></p>	<p><i>“The same corrective action set forth for Finding #3 applies to this finding.”</i></p>

Maricopa County Public Fiduciary Compliance Audit Report

<p><i>Finding # 5</i></p> <p><u><i>Marshalling Assets</i></u></p> <p><i>Arizona Code of Judicial Administration § 7-202 (J)(4)(b)</i></p> <p><i>Requirement</i></p>	<p>A fiduciary must take reasonable steps to marshal and secure the property and income of the protected person’s estate as soon as possible.</p> <ul style="list-style-type: none"> • Client funds managed by the prior fiduciary were not marshaled until five months after appointment – Client # 3 <p>The fiduciary appointed as a personal representative or conservator must observe the standard of care of a prudent man dealing with the property of another and if the fiduciary has special skills or expertise (i.e. certification) he/she is under a duty to exercise prudence, intelligence and diligence.</p>
<p><i>Auditee's Response</i></p>	<p>“Concur.”</p>
<p><i>Corrective Action</i></p>	<p>“MCPF has initiated bi-weekly reviews, within the Estate Administrators Division, of all probate cases to assure timely marshalling of assets in accordance with existing MCPF Policies #17 and #18 (attached).”</p>

Maricopa County Public Fiduciary Compliance Audit Report

<p><i>Finding # 6</i></p> <p><u><i>Diligence</i></u></p> <p><i>Arizona Code of Judicial Administration § 7-202 (J)(4) & (J)(5)(d)</i></p> <p><i>Requirement</i></p>	<p>The fiduciary must exercise extreme care and diligence when making medical and financial decisions on behalf of a ward or protected person.</p> <ul style="list-style-type: none"> • Saliba’s Pharmacy account was 90 days past due – Client # 3 • The phone service was not terminated after the death of the client, accruing monthly charges as well as late charges – Client # 3 <p>Diligence equates to the competent management of the property and income of a client’s estate.</p>
<p><i>Auditee's Response</i></p>	<p><i>“Client #3: Concur”</i></p>
<p><i>Corrective Action</i></p>	<p><i>“No later than September 15, 2010, the MCPF will implement accounting operations procedures to be utilized in the payment of bills with a 30 day cycle with notice to providers and agencies regarding non-payment and payment plan. No later than September 15, 2010, the MCPF will implement a Decedent Checklist to be utilized upon the passing of a Ward. The checklist will include stop payment notices to all providers and financial institutes of all expenses and services.”</i></p>

Maricopa County Public Fiduciary Compliance Audit Report

<p><i>Finding # 7</i> <i><u>Required Visitation</u></i></p> <p><i>Arizona Code of Judicial Administration § 7-202 (J)(3)</i></p> <p><i>Requirement</i></p>	<p>The fiduciary or the fiduciary’s qualified representative shall visit the ward no less than quarterly and as often as is necessary to ensure the client’s well being.</p> <ul style="list-style-type: none"> • The ward was visited three times – Client # 20 <p>MCPF or the fiduciary’s qualified representative, if the ward is located outside of the county or state, must visit the ward no less than once a quarter.</p>
<p><i>Auditee's Response</i></p>	<p>“Concur”</p>
<p><i>Corrective Action</i></p>	<p>“No later than September 15, 2010 MCPF will assure compliance with the existing MCPF Policies #10 and #11 (attached), via staffings and entries on CT and CTI on a monthly basis, with monitoring by the Guardian Administrator Supervisor.”</p>

APPENDIX

RESPONSE TO FINAL REPORT



Maricopa County
Public Fiduciary

222 N Central Ave, Ste 4100
Phoenix, Arizona 85004
Phone: (602) 506-5801
Fax: (602) 506-3003
or: (602) 506-2495
TDD: (602) 506-3419

July 23, 2010

Katherine A. Boots
Compliance Manager
Certification and Licensing Division
Administrative Office of the Court

RE: Maricopa County Public Fiduciary Response Audit Report

Dear Ms. Boots:

Attached you will find Maricopa County Public Fiduciary Response entered in reference to the Compliance Audit Report.

We appreciate your professionalism, please let us know if you need additional information.

Should you have any questions, please don't hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads "Susan A. Cooper".

Susan A. Cooper
Assistant Public Fiduciary
Guardian Administration Manager

**Maricopa County Public Fiduciary
Response to Compliance Audit Report**

<p><i>Finding # 1</i></p> <p><u>Documentation</u></p> <p><i>ARS § 14-5418(B)</i></p> <p><i>Requirement</i></p>	<p>By Arizona statute a fiduciary must keep suitable records of their administration and exhibit them upon request.</p> <ul style="list-style-type: none"> • Letters of Appointment were not found in the file – Client # 1 • Court ordered restitution was reported differently in several court filings – Client # 2 • The second Annual Accounting was not in the file – Client # 2 • The original Inventory and Appraisement was not in the file – Client # 2 • The second Annual Report of Guardian was not found in the file – Client # 2 • Documentation of insurance was not found – Client # 6 • Three of the six tested disbursements were not supported by an invoice or other documentation – Client # 11 • The status of an inheritance is missing – Client # 12 • The status of the ward’s taxes are not in the file – Client # 12 • The Annual Report of Guardian filed on 3/24/08 was not in the file – Client # 16 <p>MCPF must develop a systematic process for marshalling, securing and documenting the administration of a client’s estate and/or care to include all assets, transactions, activities and decision-making for each court appointed client.</p>
<p><i>Auditee's Response</i></p>	<p>Concur.</p>
<p><i>Corrective Action</i></p>	<p>No later than September 15, 2010, the Maricopa County Public Fiduciary will develop and implement a comprehensive records retention and disposal policy.</p>

**Maricopa County Public Fiduciary
Response to Compliance Audit Report**

<p><i>Finding # 2</i></p> <p><u>Accuracy</u></p> <p><i>Arizona Code of Judicial Administration § 7-202 (J)(4)(i)</i></p> <p><i>Requirement</i></p>	<p>Required court documents must be complete, accurate, and understandable.</p> <ul style="list-style-type: none"> • The ending balance of the Conservatorship’s first and final Accounting does not agree with the Personal Representative Inventory and Appraisement – Client # 3 • The beginning balance of the first Annual Accounting does not match the inventory balance – Client # 7 <p>MCPF must ensure every document filed with the Superior Court is complete, accurate and understandable.</p>
<p><i>Auditee's Response</i></p>	<p>Disagree.</p> <p>Client #13: When the final distribution was made from the Conservatorship and deposited into the Estate, a data entry error was made, resulting in the deposit to the estate being lower than the amount actually deposited. This error was detected almost immediately, by safeguards in place. A correcting entry was made to our system. The correcting entry was listed in the Final Accounting and approved by the Court.</p> <p>Client #17: The amended inventory report underreported the asset schedule by one dollar and this was displayed and correctly reported in the ending balance of the first annual accounting.</p>
<p><i>Corrective Action</i></p>	<p>Although the MCPF disagrees with the finding. We have instituted a secondary review process for all inventories and accounting.</p>

**Maricopa County Public Fiduciary
Response to Compliance Audit Report**

<p><i>Finding # 3</i></p> <p><i>Late Filings</i></p> <p><i>ARS § 14-5315(A)</i> <i>ARS § 14-5418(A)</i> <i>ARS § 14-5419 (A)</i></p> <p><i>Arizona Code of Judicial Administration § 7-202(J)(2)(e)</i></p> <p><i>Arizona Rules of Probate Procedure Rule 30(A)</i></p> <p><i>Requirement</i></p>	<p>A licensed fiduciary must ensure any document filed with the Superior Court is timely.</p> <ul style="list-style-type: none"> • The Inventory and Appraisalment was not filed within 90 days of temporary appointment – Client # 10 • The Annual Accounting was filed late – Client # 13 • The Annual Report of Guardianship was not filed on time – Clients # 14, 15, & 17 <p>MCPF must submit the inventory and appraisalment, annual accountings, guardianship reports, and/or proof of restriction on or before the statutorily required due date or court ordered due date for each client.</p>
<p><i>Auditee's Response</i></p>	<p>Clients #10 and Client #13: Disagree. The inventory appraisalment and annual accounting were filed in accordance with the court filing requirements in place at that time, that is of within 90 days of appointment.</p> <p>Clients #14, #15, and #17 Concur.</p>
<p><i>Corrective Action</i></p>	<p>Effective June 16, 2010, the MCPF implemented an Interim Policy regarding Processing and filing Reports of Guardian. (Attached) was adopted The same interim policy was verbally adopted regarding Inventories, Appraisements, and Accountings. The Interim Policy requires timely filing of all Guardian Reports, Accountings, Appraisements, and Inventories. The MCPF expects to have final policies and procedures in place no later than September 15, 2010.</p>

**Maricopa County Public Fiduciary
Response to Compliance Audit Report**

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<p><i>Auditee's Response</i></p>	<p>Client #1: Disagree. MCPF was appointed Personal Representative on June 16, 2010. MCPF was not guardian or conservator prior to this appointment. An Annual Report of Guardian was not necessary or required in 2002.</p> <p>Client #9: Concur. The First and Final Annual Accounting was filed on May 19, 2010.</p>
<p><i>Corrective Action</i></p>	<p>The same corrective action set forth for Finding #3 applies to this finding.</p>

**Maricopa County Public Fiduciary
Response to Compliance Audit Report**

<p><i>Finding # 5</i></p> <p><u><i>Marshalling Assets</i></u></p> <p><i>Arizona Code of Judicial Administration § 7-202 (J)(4)(b)</i></p> <p><i>Requirement</i></p>	<p>A fiduciary must take reasonable steps to marshal and secure the property and income of the protected person's estate as soon as possible.</p> <ul style="list-style-type: none"> • Client funds managed by the prior fiduciary were not marshaled until five months after appointment – Client # 3 <p>The fiduciary appointed as a personal representative or conservator must observe the standard of care of a prudent man dealing with the property of another and if the fiduciary has special skills or expertise (i.e. certification) he/she is under a duty to exercise prudence, intelligence and diligence.</p>
<p><i>Auditee's Response</i></p>	<p>Concur.</p>
<p><i>Corrective Action</i></p>	<p>MCPF has initiated bi-weekly reviews, within the Estate Administrators Division, of all probate cases to assure timely marshalling of assets in accordance with existing MCPF Policies #17 and #18 (attached).</p>

**Maricopa County Public Fiduciary
Response to Compliance Audit Report**

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<p><i>Auditee's Response</i></p>	<p>Client #3: Concur.</p>
<p><i>Corrective Action</i></p>	<p>No later than September 15, 2010, the MCPF will implement accounting operations procedures to be utilized in the payment of bills with a 30 day cycle with notice to providers and agencies regarding non-payment and payment plan. No later than September 15, 2010, the MCPF will implement a Decedent Checklist to be utilized upon the passing of a Ward. The checklist will include stop payment notices to all providers and financial institutes of all expenses and services.</p>

**Maricopa County Public Fiduciary
Response to Compliance Audit Report**

<p><i>Finding # 7</i> <i>Required Visitation</i></p> <p><i>Arizona Code of Judicial Administration § 7-202 (J)(3)</i></p> <p><i>Requirement</i></p>	<p>The fiduciary or the fiduciary's qualified representative shall visit the ward no less than quarterly and as often as is necessary to ensure the client's well being.</p> <ul style="list-style-type: none"> • The ward was visited three times – Client # 20 <p>MCPF or the fiduciary's qualified representative, if the ward is located outside of the county or state, must visit the ward no less than once a quarter.</p>
<p><i>Auditee's Response</i></p>	<p>Concur.</p>
<p><i>Corrective Action</i></p>	<p>No later than September 15, 2010 MCPF will assure compliance with the existing MCPF Polices #10 and #11 (attached), via staffings and entries on CT and CTI on a monthly basis, with monitoring by t he Guardian Administrator Supervisor.</p>

INTERIM POLICY RE PROCESSING AND FILING ROG'S

This will confirm the decisions made at the GA (plus Supervisors) meeting held on June 16, 2010. This policy will remain in effective until further notice.

1. ROG's will be filed on or before the due date, except under circumstances set forth in # 5 below.
2. GA's shall submit the draft ROG to Pam for processing no later than 30 days before the due date.
3. ROG's may be filed without a physician's statement, as long as the efforts to obtain the statement are clearly set forth in the ROG.
4. ROG's filed without a physician's statement shall be supplemented, by the filing of a "Supplement to ROG" with the Court as soon as the physician's statement is obtained by the GA.
5. ROG's not filed on or before the due date shall be preceded by the filing of a "Motion for Additional Time to File ROG" with the Court. The Motion will include a statement as to why additional time to file the ROG is necessary.
6. Requests for Additional Time shall not be routed directly by the GA to Pam.
7. GA's shall first obtain, from the GA Supervisor, Acting GA Supervisor, EA Supervisor, Acting EA Supervisor or the Director, written approval for filing a Motion for Additional Time. If approved, the Supervisor will direct Pam to file a Motion for Additional Time.
8. GA's shall submit the written request for approval to file a motion for additional time, along with a statement as to why additional time to file the ROG is necessary, to the Supervisor no later than 15 days prior to the ROG due date. Please note that I have added one day to this deadline. We agreed Pam needed 14 days to process and file the Motion for Additional Time. This gives the Supervisor one day to consider and act on the GA's request for additional time.
9. Effective August 1, 2010 Fee Statements will be filed with the Court on a bi-annual basis and separately from the ROG.
10. Preparation and filing of Fee Statements will be the responsibility of the Operations Department and the legal secretary for that department. However, it is imperative and mandatory that GA's keep all time entries current. The strong preference is for an entry to be made on Timekeeper on the same day the work is done. Please note that this issue may have to be revisited in the future as I continue to be concerned about collection of our fees on a more frequent basis.

11. MCPF will apply to become Rep Payee on ALL current cases. GA's will submit to Sandy thru Ruth, requests to apply for Rep Payee status on all assigned cases at the earliest opportunity.

This policy will remain in effective until further notice. It is intended to allow GA's, Pam and other MCPF employees time to focus on client needs, file timely reports in conformance with court and statutory deadlines as well as to provide relief to all MCPF employees during this period of substantial staff shortage.

If any portion of this e mail is incorrect please let me know ASAP. Your cooperation is greatly appreciated.

Silvia

**MARICOPA
COUNTY
PUBLIC
FIDUCIARY**

DEPARTMENTAL POLICY NO. 17

TITLE: INVENTORY OF ASSETS

Summary

Upon appointment as Conservator and in accordance with Arizona law regarding decedent's estates the public fiduciary shall complete and file an inventory of the estate with the Court within ninety days. Reporting requirements require valuations on assets belonging to the estate.

Purpose

To assure that all assets of the estate are collected, confirmed and accounted for from the date of court appointment and throughout the administration of the case.

Responsibility

It will be the responsibility of the Estate Administrator assigned to the case to perform the inventory in accordance with mandatory and internal requirements.¹

Procedure

1. The initial appointment date triggers the "*Date of Appointment Values*" assigned to property with the ninety days for inventory filing with the court beginning from date of permanent appointment as conservator. The "*Date of Death*" on decedent's estates is the starting value date and the date of appointment as personal representative initiates the ninety day inventory filing requirement.
2. All assets will be physically inventoried, marshaled and accounted for within the internal time period necessary to allow for operational review, pleading preparation and timely filing of the inventory with the court. All personal property with a value of \$99 or less may be listed as, "*Miscellaneous Personal Property*" with an accumulative total on the inventory. A separate detailed listing of the individual items of miscellaneous personal property will be placed in the client's file.
3. Property with values assigned at \$100 or greater will be listed by category description, with appropriate detail provided on the client's Financial Board.

¹ Arizona Revised Statutes § 14-5418; Inventory and records; Arizona Revised Statutes § 14-3706; Duty of Personal Representative; inventory and appraisalment.

Departmental Policy No. 17

4. **Valuation:** Values will be established and assigned by the Estate Administrator responsible. If the value of personal property item cannot be determined by the Estate Administrator upon reasonable diligence, a qualified and disinterested appraiser may be employed to assist in assigning a fair market value. The name of any employed appraiser shall be included in the asset description on the inventory.

If a current value for the asset cannot be determined, a good faith estimate or calculation by an acceptable method or formula can be used, if accompanied by an explanation of how the value was established. Expenses for appraisals should not be incurred when there is no reason to expect that the resulting information will be of no practical consequence.

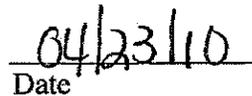
5. Subsequently purchased inventory items with values of \$100 or more will be added to the MCPF computer inventory system by category description with appropriate detail provided in the client's file accompanied by supporting receipts.
6. Petitions for inventory extensions may be sought in cases where good cause is established based on merit related to case complexities and not from internal delays in case administration.
7. An inventory status report will be completed and forwarded to the Estate Administration Manager for review by day sixty of the court appointment date and subsequently forwarded to the Public Fiduciary by day seventy of the court appointment date. The report will be prepared with a summary of the estate administrative duties that are completed and issues pending completion prior to the filing of the inventory.
8. The Estate Administration Manager upon concurrence with the Estate Operations Manager may consent to filing an inventory within 90 days where minor assets are unconfirmed, following reasonable diligence and later filing an amended inventory upon receipt of the confirmed facts prior to the filing of the annual accounting.
9. In accordance with Arizona law, upon learning that the value

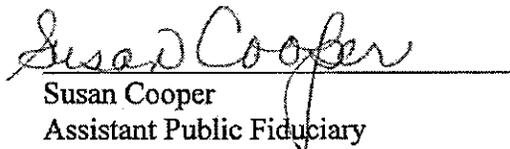
Departmental Policy No. 17

or description indicated in the original inventory for any item is erroneous, the Estate Administrator shall prepare a supplementary inventory and promptly present it for internal review with the Estate Administration Manager and Estate Operations Manager prior to filing. An amended inventory will be filed for assets subsequently discovered after the inventory was filed prior to the first annual accounting. For assets subsequently discovered after the first annual inventory, the items will be added to the MCPF computer system and reported on the appropriate schedule in the next accounting period.

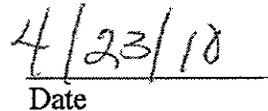


Silvia Arellano
MCPF Director


Date



Susan Cooper
Assistant Public Fiduciary


Date

Revised from 02/03/83, 02/18/93, 08/29/96, 03/02/93, 10/01/02
Replaces *DPM #35*

**MARICOPA
COUNTY
PUBLIC
FIDUCIARY**

DEPARTMENTAL POLICY NO. 18

TITLE: JEWELRY RETENTION BY CLIENT

Summary

The Maricopa County Public Fiduciary while recognizing our client's rights to personally retain their jewelry in their possession realizes the potential risk of loss. The incidents of loss occur most commonly to our elderly or disabled clients residing in skilled nursing facilities. While recognizing the right of our clients to personally retain their valuable keepsakes of sentimental value, MCPF establishes a documented system of cautionary warnings to our clients that both accounts for the jewelry's existence and demonstrates the steps we have taken to safeguard the items of jewelry.

Purpose

To provide a protocol that provides a systematic reasoning to the decision to permit jewelry to remain in the client's possession while still cautioning the client of the potential risk.

Applicability

The applicability of this policy will be considered on an individual case basis.

Responsibility

The Guardian and Estate Administrators will be responsible for this policy's application.

Procedure

1. A memorandum on the existence of the jewelry shall be included in the person's financial board file. The memo shall include:
 - a.) Description of the jewelry;
 - b.) Value assigned;
 - c.) Steps taken to ascertain the client's expressed wishes;
 - d.) Steps taken to alert the client of the risks in retaining the jewelry in their possession;
 - e.) The client's response if appropriate and the inclusion of a statement signed by the client acknowledging this warning about the inherent risks of retention.
 - f.) In the discretion of the Estate Administrator, a

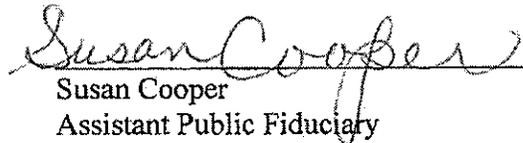
Departmental Policy No. 18

- f.) In the discretion of the Estate Administrator, a photograph may also be taken for file documentation purposes.
 - g.) A statement provided to the nursing home/care facility advising them of our knowledge of the jewelry's existence.
2. This activity should be performed at the time of the inventory on all new cases and shall be the responsibility of the assigned Estate Administrator.
- 3 In the event the client is moved to a residence later in the appointment and there is new potential risk, not inherent at the time of our appointment, then the Estate Administrator will apply this policy due to jewelry being held in the client's possession.



Silvia Arellano
MCPF Director

04/23/10
Date



Susan Cooper
Assistant Public Fiduciary

04/23/10
Date

Revised from 6/15/95, 10/01/02
Replaces *DPM #41*

**MARICOPA
COUNTY
PUBLIC
FIDUCIARY**

DEPARTMENTAL POLICY NO. 10

TITLE: MCPF STAFFINGS

Summary

Maricopa County Public Fiduciary conducts interdisciplinary meetings otherwise known as "*staffings*."

Purpose

Staffings provide the foundation for individual case communication, issues resolution and action plan development. The client receives multiple benefits as a result of the staffing due to the various levels of knowledge, expertise and perspective that key staff contributes at the meeting. The client's individual fiduciary needs are identified.

Procedure

1. Staff members assigned responsibility for the delivery of client services are required to attend MCPF staffings. Some key staff that are routinely required to attend are as follows: Case Administrators, Estate Operations and Benefits staff, Division Managers, Legal Coordinator/Assistant Public Fiduciary, other professionals with institutional case knowledge, and if appropriate, legal counsel.
2. A course of action will be outlined and documented at the staffing with key staff responsibilities defined, and when relevant, the time frames for task completion. Staffing notes will be initialed by members in attendance and forwarded to the Public Fiduciary for review and signature. Staffing notes are electronically saved into the client's file on the appropriate shared drive and then submitted to the employee responsible for scanning documents on the system.
3. A staffing shall be held upon new court appointment and upon death or discharge of a ward/protected person.
4. A staffing may be requested at any time to discuss and review issues that are related to case management. MCPF staff may initiate a request for a staffing through their Division Manager.

Departmental Policy No. 10

5. Staffings will be scheduled as needed following the court appointment. Employees responsible for attendance shall set their calendar to be available as a weekly priority appointment.
6. A staffing on the death or discharge of a client will be calendared at the first available time, Monday through Friday, to ensure post-need planning and notice of death to interested parties are completed timely.

Silvia R. Arellano

Silvia Arellano
MCPF Director

04/23/10

Date

Susan Cooper

Susan Cooper
Assistant Public Fiduciary

4/23/10

Date

Revised from 02/03/83, 02/19/85, 06/15/95, 10/1/02
Replaces *DPM* #22

**MARICOPA
COUNTY
PUBLIC
FIDUCIARY**

DEPARTMENTAL POLICY NO. 11

TITLE: VISITS TO WARDS

Summary

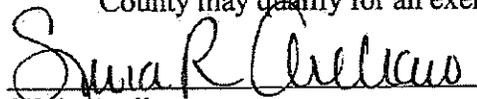
The Maricopa County Public Fiduciary, while serving in their capacity as guardian, ensures meaningful personal contact occurs with their clients.

Purpose

To provide protocols for client visitations performed by the Guardian Administrators.

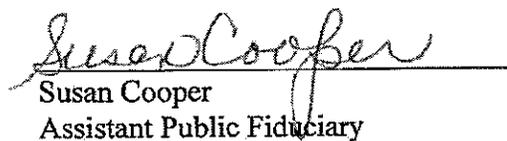
Procedure

1. All clients under the guardianship of this office will be visited by the Guardian Administrator assigned on at least a quarterly basis.
2. Although personal contacts are made with many of our clients on a basis more frequently than once per quarter, this is a minimum standard and must be rigidly adhered to.
3. Following our formal appointment, the assigned Guardian Administrator shall visit the new client within five working days of the initial staffing.
4. The Guardian Administrator should use their discretion to determine the length of visits, frequency of visits beyond quarterly, and extent of detail of written report for the file.
5. All meaningful contacts with our wards or with others involved in their affairs must be supported by documentation in our computer system.
6. The Guardian Administration Manager must approve any exceptions to this policy. A client residing out of Maricopa County may qualify for an exemption from this standard.



Silvia Arellano
MCPF Director

04/23/10
Date



Susan Cooper
Assistant Public Fiduciary

4/23/10
Date