

Guidelines for Guardians of the Estate of Minors Green County Register in Probate Office



1) RESTRICTED ACCOUNTS

Most minor guardianships require the guardian to obtain a court order before withdrawing any funds. We call this a “restricted account.” Your Letters of Guardianship will contain the special language “No Withdrawals Without Court Order” if this applies to you. (Only if you were ordered to obtain a Fiduciary Bond and have paid the required premiums, will your Letters of Guardianship not have this restriction.)

You should verify with the financial institution **before** you establish a guardianship account that they are able to designate the account as restricted and will require a court order before any withdrawals can be made. Most banks are able to do this, but many credit unions and other investment institutions do **not** have the ability to flag accounts as restricted.

2) TITLE AND OWNERSHIP OF ACCOUNTS

The funds you control as guardian should be kept separate from any other assets (your own or the child’s) and should be clearly titled as being owned solely by the child with yourself as guardian. All bank accounts or other investments should be titled as follows:

Paula Parent as Guardian for Charles Child

or

Charles Child, by Paula Parent, Guardian

When you set up accounts, you should supply the institution with a certified copy of your Letters of Guardianship with a raised seal. Certified copies can be obtained from our office in person or by mail for a fee of \$4.

You should **not** have accounts titled with yourself and the child as joint owners or titled as UTMA (Uniform Transfers to Minors Act) accounts with yourself as “Custodian”.

If the child has other bank accounts or you receive Social Security payments for the child benefits, these are not considered to be guardianship assets, so they should not be mixed with guardianship funds and will not need to be accounted for on your annual account for the court.

3) INVENTORY

As soon as you have control over the child’s funds, you should complete your Inventory, sign it before a Notary, and file it with the Court. There is a filing fee due at the time you file the Inventory (.2% of the total assets, or \$2 per \$1,000 with a minimum of \$20 if total assets are less than \$50,000). Checks can be made payable to “Green County Register in Probate” and can be paid out of the child’s assets.

4) GUARDIAN’S BOND

If the court ordered that you obtain a Fiduciary Bond, it is your responsibility to keep that bond in effect until the child turns 18. Premiums for the bond can be paid from the child’s assets. The bond will not be released until you have completed the final paperwork to be discharged as guardian after the child turns 18.

5) REASONABLE AND PRUDENT RULE FOR INVESTMENTS

Sec. 881.01(3)(a) A fiduciary shall invest and manage assets as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the estate, trust, conservatorship, or guardianship. In satisfying this standard, the fiduciary shall exercise reasonable care, skill, and caution.

The Wisconsin Statutes require you to invest as a reasonable and prudent person would. This means that you should not take unusual or long-term risks with the child's assets, but should try to preserve their value until the child can make his or her own decisions as an adult. If you have any questions about whether a specific investment is "reasonable and prudent" you should seek written permission from the court before you make the investment.

6) LENGTH OR TERM OF INVESTMENT

You should not invest in assets that may have a penalty for withdrawal before the child's 18th birthday (such as long-term CD's, annuities, EdVest accounts, trusts, or real estate) without a specific Court Order before the investment is made.

7) USE OF FUNDS

The child's parents are required to provide financially for the child's general support and day-to-day living needs, even if the child has significant funds. The guardianship funds are to be used only for exceptional expenditures ***specifically for this child*** which the child's parents could not otherwise afford. The main purpose of the guardianship is to preserve the funds until the child becomes an adult, not to support the child during his or her minority unless the child's parents are deceased or otherwise unable to provide for the child.

8) ANNUAL ACCOUNTS

You are required to file an Annual Account with the Court each year by April 15th. The form will be mailed to you in early January and your accounting should cover the previous calendar year. You will need to provide a summary of what money went into and came out of guardianship investments during the year. You will also need to list the value of each asset (bank account or other investment) as of December 31st and provide verification of the value of the asset from the holder (end of year bank statement or account summary).

9) TERMINATION OF GUARDIANSHIP

The need for the guardianship ends when the child becomes 18. Before you can be discharged by the court as guardian you will need to complete a Final Account, supply a copy to the child who has turned 18, turn the funds over to the him or her (unless they are in a restricted account), and ask him or her to sign a Receipt. You will be responsible for any bond premiums until you are discharged.

10) CONTACT THE COURT FOR PRIOR APPROVAL

You should write to the court ***before*** making investments or spending the child's money if you have questions about your authority *or* your Letters of Guardianship are marked "restricted" indicating "no withdrawals except by court order." Court officials cannot address these questions by telephone. Send correspondence to the address below and you should receive a reply within 7 to 10 days. Please be sure your letter includes the following information:

- The child's name
- The case number (such as 04 GN 299)
- Your name and address
- Daytime phone number for questions we may have
- A description of the investment or expenditure along with any supporting documents (orthodontist bills etc.)
- *Explain why you would like guardianship funds to pay for this expense instead of being covered by the child's parents*

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