



Michigan
Office of the Auditor General
REPORT SUMMARY

Performance Audit
Selected Probate Court Conservatorship
Cases

Report Number:
05-605-01

Released:
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The Michigan Supreme Court is responsible for the general administrative supervision of all courts in the State. Also, the Supreme Court establishes rules for practice and procedure in all courts through the State Court Administrative Office (SCAO). The SCAO's mission is to provide leadership and to promote effective, efficient, equitable, uniform, and accessible court and justice system services to advance the highest quality of justice in Michigan. The SCAO performs its duties under the direction of the Supreme Court and is responsible for providing administrative oversight and management or technical assistance to the judges and staff of Michigan's 244 trial courts. A conservatorship is petitioned for on behalf of an individual who is unable to manage his or her property and financial affairs effectively because of certain reasons.

Audit Objectives:

1. To determine the accuracy and validity of assertions contained in conservators' annual accountings filed with probate courts.
2. To assess the effectiveness and efficiency of probate courts' procedures and controls for administering and monitoring conservatorship cases.

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Audit Conclusions:

1. The assertions contained in conservators' annual accountings filed with probate courts were generally not accurate or valid.
2. Probate courts' procedures and controls for administering and

monitoring conservatorship cases were generally not effective.

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Reportable Conditions:

Probate courts did not establish and implement processes to adequately review annual accountings for appropriateness and reasonableness (Finding 1).

Probate courts did not adequately inform and train conservators in their duties and responsibilities to properly account for and report estate assets and financial activities in the annual accountings submitted to the courts (Finding 2).

Probate courts did not ensure that conservators maintained sufficient documentation to support items reported in annual accountings and did not perform

investigations when discrepancies were identified in annual accountings (Finding 3).

Three probate courts did not have effective controls to ensure that conservatorship cases were appropriately administered and monitored (Finding 4).

Probate courts were not consistent in their enforcement of conservator reporting requirements of the *Michigan Compiled Laws* and the Michigan Court Rules (Finding 5).

The probate court data systems need to be expanded to capture additional information to improve conservator monitoring. Also, the SCAO needs to review the feasibility of providing probate courts with additional analytical reports with which to evaluate conservators. (Finding 6)

Probate courts need to close conservatorship cases when protected individuals die or reach the age of majority and to monitor the status of inactive cases and close them as appropriate (Finding 7).

Four probate courts did not ensure that conservators effectively managed estate assets and complied with the *Michigan Compiled Laws* (Finding 8).

Two probate courts did not ensure that conservators expended estate money exclusively for the support, education, care, and benefit of the protected individuals they represented in compliance with the *Michigan Compiled Laws* (Finding 9).

Probate court administrative controls in three counties did not prevent conservators from engaging in self-dealing (Finding 10).

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Agency Response:

The agency's preliminary response indicated that the SCAO agrees with the findings.

A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: www.state.mi.us/audgen/



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