

Fiduciary Resource Guide for Guardians Appointed by the Clerk of Superior Court in North Carolina

Information from State Employees' Credit Union

State Employees' Credit Union®



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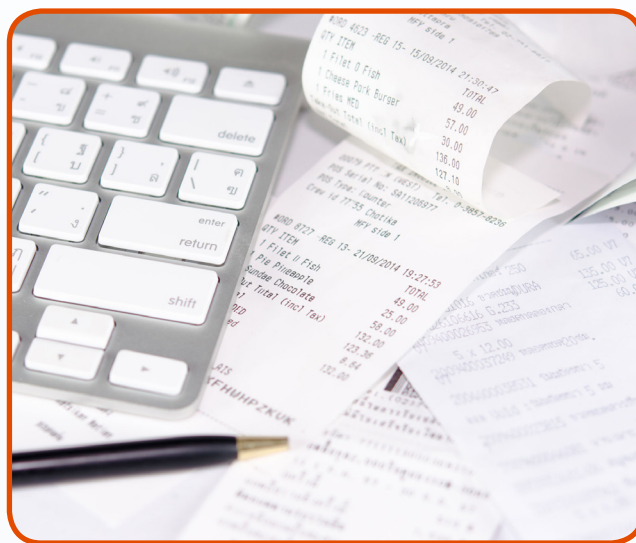
State Employees' Credit Union is federally insured by the National Credit Union Administration.

Appointed Guardians

When a person is unable to make decisions regarding money or property, a Guardian of the Estate (or General Guardian) may be appointed. A Guardian of the Estate or General Guardian is appointed by the Clerk of Superior Court to oversee the property of either a minor or incompetent adult (the ward). As a court-appointed fiduciary, a guardian must act in the ward's best interest and within the scope of the authority granted by the Clerk of Superior Court.

If you have been appointed as Guardian of the Estate or General Guardian for a friend or loved one, this resource guide will help explain what you should and should not do in this role. Best practices for serving as Guardian of the Estate or General Guardian are as follows:

- **Always act in the ward's best interest**
 - > Use funds only for the ward
 - > Obtain approval from the Clerk of Superior Court before you loan or gift money
- **Be diligent in managing the ward's funds**
 - > Pay bills on time
 - > Invest carefully
 - > Keep a list of all accounts, properties, debts, etc.
- **Keep the ward's funds separate from your personal funds**
 - > Avoid joint accounts
 - > All accounts should be owned by the ward, accessed only by the guardian
- **Keep detailed records**
 - > Detail funds received and how funds are spent
 - > Avoid paying cash
 - > Keep all receipts



In order to open a guardianship account at the credit union, you must present Letters of Appointment signed by the Clerk of Superior Court, appointing you as Guardian of the Estate or General Guardian for our member. You should keep detailed records of the account in order to file the annual accounting with the Clerk of Superior Court. If you have questions regarding your role, or need more information regarding the process of becoming guardian, you should consult the Clerk of Superior Court or reference the *Responsibilities of Guardians in North Carolina* brochure published by the North Carolina Administrative Office of the Courts.

Frequently Asked Questions

- 1. What types of guardians are appointed in North Carolina? What are their responsibilities?**
 - **Guardian of the Estate:** A Guardian of the Estate is responsible for taking control of the ward's assets. The Guardian of the Estate must invest and use the assets for the ward's best interest. For example, a Guardian of the Estate is responsible for maintaining the ward's accounts and paying bills.
 - **Guardian of the Person:** A Guardian of the Person is responsible for the ward's physical well-being and health care needs. For example, a Guardian of the Person is responsible for the ward's living arrangements.
 - **General Guardian:** A General Guardian is responsible for the duties of both Guardian of the Estate and Guardian of the Person.
- 2. Which type of guardian may access a ward's credit union accounts and safe deposit box?**
 - Only a Guardian of the Estate or General Guardian may access the ward's accounts and safe deposit box.
 - A Guardian of the Person cannot access the ward's accounts or safe deposit box.



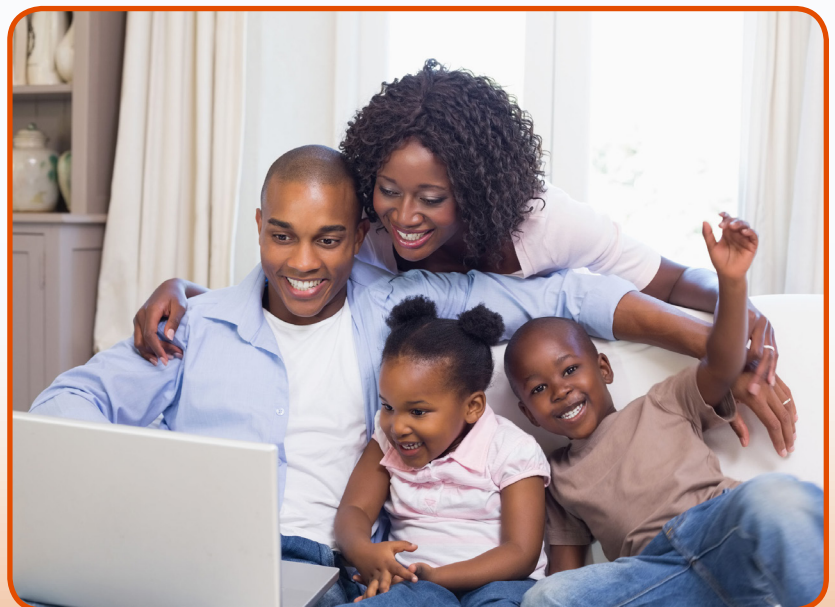
Frequently Asked Questions

3. **What documentation must a Guardian of the Estate or a General Guardian bring to the credit union to access the ward's accounts or safe deposit box?**
 - **Guardian of the Estate:** *Letters of Appointment Guardian of the Estate* issued by an NC Clerk of Superior Court.
 - **General Guardian:** *Letters of Appointment General Guardian* issued by an NC Clerk of Superior Court.
 - *Letters of Appointment Guardian of the Person* will **not** be accepted to allow access to the ward's accounts or safe deposit box.
4. **Are custody agreements sufficient to allow access to a minor's accounts?**
 - No. Custody agreements appoint a person to care for a minor, but these documents do **not** grant financial authority.
5. **Can a ward access his own accounts once a guardian has been appointed?**
 - No. Only the Guardian of the Estate or General Guardian can access the ward's accounts.
6. **Can a guardianship account be owned jointly between the ward and another person?**
 - No. Guardianship accounts cannot be owned jointly. If the ward has jointly owned accounts, the Guardian of the Estate or General Guardian must do one of the following:
 - > Close the ward's joint accounts and deposit the funds into guardianship accounts
 - > Remove the ward's name from the joint accounts



Frequently Asked Questions

7. **How must a Guardian of the Estate or General Guardian use the ward's assets?**
 - The ward's assets must be used to provide for the care and well-being of the ward. All expenditures of the ward's funds must be for the ward's best interest.
8. **Must a Guardian of the Estate or General Guardian provide an accounting to anyone? What records must be kept?**
 - Guardians of the Estate and General Guardians must provide accountings to the Clerk of Superior Court. Records should be kept with itemized receipts, copies of checks and account statements, documenting the expenses paid using the ward's funds. The Clerk of Superior Court will review the accountings to make sure that all investments and expenditures of the ward's assets are for the ward's best interest.
9. **May a Guardian of the Estate or General Guardian access guardianship accounts after the ward's death?**
 - No. A Guardian of the Estate or General Guardian may not access guardianship accounts after the ward's death. Funds held in guardianship accounts will be distributed by the court-appointed personal representative of the ward's estate.
10. **Does a Guardian of the Estate have authority to manage the ward's benefit payments from the Social Security Administration (SSA) or the Veterans' Affairs (VA)?**
 - No. If a ward is receiving SSA or VA funds, the Guardian of the Estate or another person must apply to be SSA Representative Payee or VA Federal Fiduciary, respectively. The SSA/VA funds must be kept separate from the ward's other funds, and separate accountings must be provided to the SSA/VA and the Clerk of Superior Court.



1. **Guardian of the Person:** A guardian appointed by the Clerk of Superior Court to manage the care, custody and control of the minor or incompetent adult.
2. **Guardian of the Estate:** A guardian appointed by the Clerk of Superior Court to manage the property and financial affairs of the minor or incompetent adult.
3. **General Guardian:** A guardian appointed by the Clerk of Superior Court to perform the duties of Guardian of the Estate and Guardian of the Person.
4. **Ward:** A minor or incompetent adult for whom a guardian has been appointed.



