

**PAYMENT OF FEES AND COMPENSATION
AGREEMENT FOR GUARDIANS**

1. All fees paid from the guardianship are subject to the approval of the Court. If you have a question regarding what fees are allowable, you should petition the Court for approval of the expenses **prior to performance**.
2. **Just and Reasonable Guardian’s Compensation:** The guardian of the estate is entitled to compensation in amounts that the Court deems “just and reasonable.” A finding of what is “just and reasonable” depends on the facts of each guardianship and is determined by the Judge.
3. **Court Approved Fee Schedule:** The guardian of the estate is entitled to compensation in the form of a fee. The current court-approved fees are calculated as follows:
 - a. A start-up fee to locate and identify assets and file the inventory:
 - i. \$100 for estates less than \$200,000 in value
 - ii. \$150 for estates more than \$200,000 in value
 - b. Estates valued at \$200,000 or less, a fee of \$55 per month for a total of \$660 per year.
 - c. Estates valued at more than \$200,000, a fee of \$75 per month for a total of \$900 per year.
 - d. Closing fee to file final accounting, secure receipts, and order of discharge of guardian:
 - i. \$100 for estates less than \$200,000 in value
 - ii. \$150 for estates more than \$200,000 in value

This annual fee represents compensation to the guardian of the estate for handling the routine activities of the guardianship, such as receiving and depositing income, paying bills, maintaining the guardianship checkbook, monitoring investments, preparing and filing the initial inventory and annual accounts, general visits with the ward, preparing final paperwork and final account when file is closed, and handling general needs of the ward.

4. **Out-of-Pocket Expenses:** The guardian of the person can be reimbursed for out-of-pocket expenses by submitting a **written request for reimbursement, substantiated with receipts**, to the guardian of the estate. For any other compensation, the guardian

of the person **must** petition the court and receive **prior** approval before payment is made by the guardian of the estate.

5. **Extraordinary Fees:** The guardian of the estate or guardian of the person may be entitled to compensation for performing “extraordinary work,” such as cleaning a residence in preparation for a sale or auction, but only if documented by a written record and receipts substantiating the expenses. **All requests for extraordinary fees must be submitted to the Court for approval prior to performance.** This can be accomplished by filing a petition with waivers or by requesting a hearing. All requests for payment must receive prior court approval before payment. Failure to obtain prior approval may result in denial of reimbursement or surcharge against the guardian.
6. **Mileage:** The guardian of the estate or guardian of the person is entitled to compensation for mileage necessitated by the guardianship, but only if documented by a log submitted with the verification of expenses filed with the annual account. The current court-approved rate is the IRS approved business mileage rate.
7. **Hiring Service Providers:** Expenses incurred in the management of guardianship assets, such as fees incurred from attorneys, accountants, brokers, and other agents, may be paid by the guardian of the estate out of guardianship funds as long as the expenses are reasonable. **Persons employed by or related to the guardian cannot be compensated at a rate greater than the cost of services available in the community.**
8. **Reporting of Guardian on Annual Account:** The guardian of the estate must list all fees on the annual account in the year in which the expense was paid.
9. **Taxation of Guardian:** Fees paid for work as a guardian is “income” to the guardian for income tax purposes.

ACKNOWLEDGMENT OF RECEIPT OF POLICY:

I have read the above two pages regarding fees and compensation, and I understand what is required of me to receive compensation from a guardianship.

Dated: _____

Signature of Guardian

Signature of Witness

Name of Guardian (printed)

Case No.

Distribution:

- Court – original
- Guardian