DISTRICT OF COLUMBIA COURT OF APPEALS

In re Frances Sue Randolph-Bray

942 A.2d 1142 (D.C. 2008) · No. No. 06-PR-919 · Decided February 21, 2008

SUMMARY

The District of Columbia Court of Appeals held that the Superior Court abused its discretion by denying Teresa Arnold’s motion for reconsideration of an order requiring her to pay the successor guardian-conservator’s fees. The court concluded that Arnold lacked adequate notice and an opportunity to be heard regarding the sanction, that available legal remedies made invocation of equitable powers unnecessary, and that the award may have included fees unrelated to any breach. The court reversed and remanded with instructions to vacate the portion of the order imposing $6,014.56 in liability for the successor fiduciary’s services.

CASE DETAILS

COURT	District of Columbia Court of Appeals
WRITING FOR THE COURT	Thompson, Associate Judge; Kramer, Associate Judge; Schwelb, Senior Judge
JURISDICTION	District of Columbia
DECIDED	February 21, 2008
DOCKET	No. 06-PR-919
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Arnold appealed from the Superior Court's denial of her motion for reconsideration of an order holding her personally liable for $6,014.56 in fees and expenses incurred by a successor guardian/conservator.
STANDARD OF REVIEW	Abuse of discretion review of the denial of a motion for reconsideration.
PRECEDENTIAL VALUE	Published opinion; precedential
PARTIES	Teresa Arnold v. In re Frances Sue Randolph-Bray

TOPICS

guardianship procedure · guardianships · equitable relief · remedies · appellate procedure

PRACTICE AREAS

probate guardianships fiduciary liability equitable remedies appellate procedure

QUESTIONS PRESENTED

1. Whether the Superior Court violated due process by imposing liability for the successor guardian/conservator's fees without prior notice and a meaningful opportunity to be heard.
2. Whether the Superior Court could use its equitable powers to impose the successor fiduciary's fees as a sanction when the estate had adequate legal remedies for losses caused by a fiduciary breach.
3. Whether the fee sanction was improper because it included services chargeable to the estate regardless of Arnold's alleged deficiencies and lacked a discernible basis for the amount awarded.

HOLDINGS

1. The Superior Court should have reconsidered and vacated the fee sanction because Arnold was not given notice that liability for the successor fiduciary's fees would be considered or a meaningful opportunity to contest that sanction before it was imposed.
2. The Superior Court improperly invoked its equity powers to impose the successor fiduciary's fees on Arnold because the estate had adequate remedies at law, including an action for damages and statutory proceedings for accounting, surcharge, or indemnification.
3. The sanction was also improper because the Superior Court did not establish that all of Kass's billed services resulted from Arnold's breach and did not explain the basis for awarding $6,014.56 when Kass's invoice totaled $4,702.74.

KEY QUOTATIONS

> *"We think that due process as well demanded that Arnold receive notice of the possible sanction and a meaningful opportunity to be heard regarding it before it was imposed."* (1145)

> *"In light of these remedies available to the Randolph-Bray estate, there was no need for the Superior Court to invoke its equity powers to sanction Arnold."* (1147)

> *"For all the foregoing reasons, the Superior Court abused its discretion in denying Arnold's motion for reconsideration of the January 9, 2006 sanctions order."* (1148)

FACTUAL BACKGROUND

Arnold served for nearly nine years as guardian and conservator for her grandmother, Frances Sue Randolph-Bray, who suffered from dementia and required extensive personal care. Arnold repeatedly failed to file required guardianship and conservatorship reports, leading to her removal and the appointment of Brian Kass as successor guardian and conservator. After Randolph-Bray's death, the Superior Court held Arnold liable for unaccounted estate assets and additionally ordered her to pay $6,014.56 for Kass's fees, although the Auditor-Master had not recommended that fee award and Arnold had not received notice that the fees would be considered.

PROCEDURAL HISTORY

The Superior Court appointed Arnold guardian and conservator for Frances Sue Randolph-Bray and later removed her for repeatedly failing to file required reports. After Randolph-Bray died, the court accepted an Auditor-Master's accounting recommendations, reduced Arnold's liability for unaccounted assets, and sua sponte imposed additional liability for the successor fiduciary's fees. The court denied Arnold's Rule 430(a) motion for reconsideration, and Arnold appealed. The Court of Appeals reversed the denial and remanded with instructions to vacate the fee sanction.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

Reverse the February 24, 2006 ruling denying reconsideration and remand with instructions that the Superior Court vacate the portion of its January 9, 2006 order requiring Arnold to pay $6,014.56 to Kass as compensation and reimbursement for his services as successor guardian/conservator.

CASES CITED

- Oliver v. Mustafa, 929 A.2d 873, 879 (D.C. 2007)
- In re Estate of Elkins, 692 A.2d 910, 912 (D.C. 1995)
- Jones v. Hagans, 634 A.2d 1219, 1225-26 (D.C. 1993)
- In re Estate of Delaney, 819 A.2d 968, 991 (D.C. 2003)
- BMW of North America, Inc. v. Gore, 517 U.S. 559, 574 n.22 (1996)
- In re Bolden, 719 A.2d 1253, 1253 n.5 (D.C. 1998)
- Brady v. Fireman's Fund Insurance Companies, 484 A.2d 566, 568-70 (D.C. 1984)
- Kakaes v. George Washington University, 790 A.2d 581 (D.C. 2002)
- District of Columbia v. Wical Ltd. Partnership, 630 A.2d 174, 184 (D.C. 1993)
- In re C.W., 916 A.2d 158 (D.C. 2007)
- Hendry v. Pelland, 73 F.3d 397, 399, 403 (D.C. Cir. 1996)
- SPM Corp. v. M/V Ming Moon, 22 F.3d 523, 525 (3d Cir. 1994)
