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The Honorable Board of Supervisors
County of Riverside
4080 Lemon Street
Riverside, California 92501

Dear Supervisors,

On June 24, 2022, Larson LLP published its Report entitled “Riverside County Programs and Services for Children in Foster Care, Transitioning Youth, and Adults Under Conservatorship – Assessment and Recommendations” (the “Report”).

In our Report, we explained that on June 24, 2019, the Riverside County Probate Court established Special Needs Trusts for each of the 13 Turpin siblings. These Trusts were funded through donations made to the RUHS Foundation to help support the Turpin siblings. The Office of Public Guardian was appointed Trustee of the Special Needs Trusts for the seven adult Turpin siblings who were under conservatorship, and Part 3 of our Report contains our analysis regarding their trust accounts.

At the time we published our Report, we had not yet received access to the court records pertaining to the Special Needs Trusts for the six Turpin siblings who were not under conservatorship (the “Trusts”). We recently received access to these files and thus provide the following supplement to our Report.

1. Pertinent Trust Terms

Dennis Sandoval, a private attorney, was appointed the Trustee for each of the Trusts. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

In performing its duties, the Trustee must exercise discretion in a reasonable manner and it must act in accordance with fiduciary principles which includes refraining from acting in bad faith or in disregard of the purposes of the trust.⁵

[REDACTED]

2. Overview of the Trusts' Accountings

[REDACTED] the Court required Mr. Sandoval to file his first annual accounting on August 24, 2020. Mr. Sandoval failed to file an accounting by this deadline. On August 27, 2020, the Court issued a Notice of Accounting Past Due.

[REDACTED]

⁵ Cal. Prob. Code §§ 16080-81.

[REDACTED]

On September 22, 2020, Mr. Sandoval filed reports and accountings for each of the Trusts for the period of June 24, 2019 to July 31, 2020. Figure 36 shows the assets and disbursements for the Trusts that were reflected in these filings.

Figure 36: Overview of the Trusts

ACCOUNT	TURPIN 8	TURPIN 9	TURPIN 10	TURPIN 11	TURPIN 12	TURPIN 13
TOTAL ASSETS	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
TOTAL DISBURSEMENTS	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
NET	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Each of the accountings sought disbursements of approximately \$330 for Mr. Sandoval's services and related legal fees. [REDACTED]

[REDACTED] the Court [REDACTED] ordered that Mr. Sandoval file the next accountings on September 30, 2022.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Mr. Sandoval requested that the Court allow him to distribute \$15,000 of the Trusts' assets to ABLE accounts for the beneficiaries [REDACTED]

[REDACTED] Mr. Sandoval explained that this transfer would “allow for greater flexibility for how the assets can be spent in the future, and eventually eliminate the need for court supervision [REDACTED]
[REDACTED]

ABLE accounts are tax-advantaged savings accounts for individuals with disabilities. Distributions from ABLE accounts are tax-free if used for qualified disability expenses.⁷ These qualified disability expenses include “education, housing, transportation, employment training and support, assistive technology and personal support services, health, prevention and wellness, financial management and administrative services, legal fees, expenses for oversight and monitoring, [and] funeral and burial expenses....”⁸ SSI and Medicaid benefits are unaffected by the first \$100,000 that is deposited in an ABLE Account.⁹ Generally, contributions to an ABLE account may not exceed the annual gift tax exemption (\$15,000 in 2021).¹⁰

On November 25, 2020, the Court ordered that Mr. Sandoval submit a proposal for who should serve as the custodian of the ABLE accounts. On February 16, 2021, Mr. Sandoval filed a declaration in response to this order. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

⁷ See <https://www.irs.gov/government-entities/federal-state-local-governments/able-accounts-tax-benefit-for-people-with-disabilities>.

⁸ 26 U.S.C. § 529A(e)(5).

⁹ <https://www.ssa.gov/ssi/spotlights/spot-able.html>.

¹⁰ <https://www.ssa.gov/ssi/spotlights/spot-able.html>.

[REDACTED]

[REDACTED]

4. Analysis

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



We look forward to discussing this Supplement to our Report with the Board of Supervisors at its earliest convenience.

Sincerely,

A handwritten signature in blue ink, appearing to read "S. G. Larson", is written in a cursive style.

Stephen G. Larson

A handwritten signature in blue ink, appearing to read "Hilary Potashner", is written in a cursive style.

Hilary Potashner