



United States Trustee Program (USTP)

FY 2010 Budget Request At A Glance

FY 2009 Enacted:	\$217.4 million(1,305 positions; 303 attorneys)
Current Services Adjustments:	+\$4.8 million (2% above FY 2009 Enacted)
Program Changes:	+\$2.2 million
FY 2010 Budget Request:	\$224.4 million (1,323 positions; 318 attorneys)
Change from FY 2009 Enacted:	+\$7 million (+3%) (+18 positions; +15 attorneys)

Mission:

USTP's mission is to promote integrity and efficiency in the nation's bankruptcy system by enforcing bankruptcy laws, providing oversight of private trustees, and maintaining operational excellence.

Resources:

The budget request for FY 2010 totals \$224.4 million, which is a 3 percent increase from the FY 2009 enacted level. The USTP operations are entirely funded from bankruptcy filing fees and Chapter 11 quarterly fees that are deposited into the U.S. Trustee System Fund and remain available to the USTP for expenditure across fiscal years as specified in Appropriations Acts. Current revenue projections indicate that the fees collected in FY 2010 will be sufficient to fully fund the budget request.

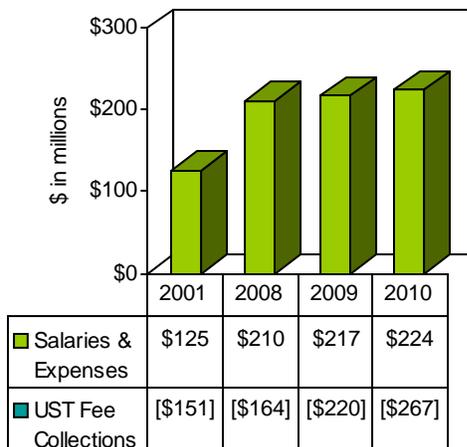
Organization:

The USTP is managed by an Executive Office in Washington D.C., which is headed by a Director, a career appointee in the Senior Executive Service, who provides comprehensive policy and management direction to the U.S. Trustees and their staffs. The USTP operates in 88 judicial districts through a system of 21 regions and 95 district offices in 46 states. Each region is headed by a U.S. Trustee. The USTP does not operate in the judicial districts in Alabama and North Carolina. U.S. Trustees are appointed by the Attorney General to five-year terms.

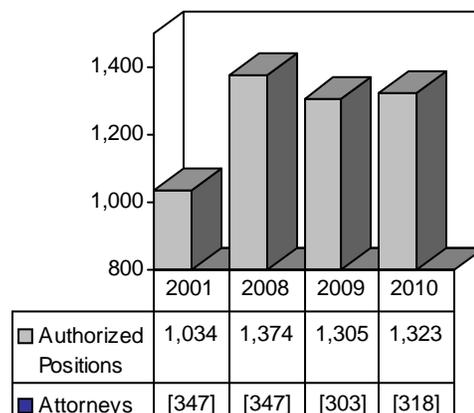
Personnel:

The USTP's authorized positions for FY 2010 total 1,323 positions, of which 318 are attorneys. The FY 2010 budget request includes an increase of 18 positions (15 attorneys), over the FY 2009 level of 1,305 direct authorized positions.

Funding (FY 2001 - 2010)



Personnel (FY 2001 - 2010)



*Includes reimbursable attorneys

FY 2010 Strategy:

Addressing abusive conduct by creditors, including national mortgage servicers, has emerged as a top USTP priority. One of the basic principles of our nation's bankruptcy system is that the honest but unfortunate debtor deserves a fresh start. Those who prey upon debtors for their own financial gain undermine that basic principle. Thus, protecting consumer debtors and being able to quickly mobilize to address increasingly complex abuse is an important objective of USTP enforcement efforts.

In FY 2010, the USTP will continue its efforts to combat systemic abuse by national mortgage servicers and other creditors. Complaints against mortgage servicers involve allegations that mortgage servicers file inaccurate papers claiming that debtors owe more money than they actually owe, or that a default has occurred when there has been no default, or that the mortgage servicers have been adding additional and undisclosed charges that are not permitted under the terms of the loan contract.

As the housing market and overall economy continue to experience challenging times, the USTP has an increasing role in ensuring the integrity of the bankruptcy system. The majority of USTP's litigation against national mortgage servicing firms involves homeowners who are behind on their mortgage payments and file for relief under Chapter 13 of the Bankruptcy Code.

In addition, the USTP has a statutory duty to refer suspected criminal conduct to the U.S. Attorney and to assist in prosecuting bankruptcy crimes. USTP offices participate in local law enforcement, bankruptcy fraud, and mortgage fraud working groups around the country, and the Program participates in nationwide law enforcement sweeps aimed at investigating and prosecuting mortgage and bankruptcy fraud.

One of the prevalent mortgage fraud schemes found in bankruptcy is the foreclosure rescue operation. There are several variations of the scheme, but generally the perpetrator entices the distressed homeowner to either make mortgage payments through them or transfer a deed to them. The perpetrator then files a bankruptcy petition to delay foreclosure and continues to collect payments from the unsuspecting homeowner.

Mortgage payments are usually never made by the perpetrator to the mortgage company and the homeowner ultimately loses the home to foreclosure.

FY 2010 Program Changes:

Mortgage and Other Consequential Fraud and Abuse SWAT Teams: 18 positions (15 attorneys) and \$2.2 million is requested for additional attorney and support staff to lead and participate in trial SWAT teams, with a focus on areas of emerging complex litigation. Current areas include lending fraud, mortgage-related bankruptcy schemes, foreclosure rescue scams, and other complex litigation. The SWAT teams would enable the USTP to secure highly skilled litigation teams and to provide the highest quality legal representation regardless of the venue. The requested program increase will establish a baseline for this initiative, and will be fully supported by offsetting collections.

Financial Snapshot 2008

Clean Opinion on Financial Statements	Yes
Timely Financial Reporting	Yes
Material Weaknesses	None

United States Trustee Program
(Dollars in Thousands)

	SALARIES & EXPENSES		
	Pos.	FTE	Amount
2008 Enacted	1,374	1,344	\$209,763
2009 Enacted	1,305	1,305	217,416
2010 Request	1,323	1,314	224,488
Change 2010 from 2009 Enacted	18	9	7,072
Adjustments to Base			
Increases:			
Pay and Benefits	0	0	4,179
Domestic Rent and Facilities	0	0	553
Other Adjustments	0	0	112
Total Adjustments to Base	0	0	4,844
2010 Current Services	1,305	1,305	222,260
Program Changes			
Increases:			
Federal Financial Rescue	18	9	2,228
Total Program Changes	18	9	2,228
2010 Request	1,323	1,314	224,488
Change 2010 from 2009 Enacted	18	9	7,072

**UNITED STATES TRUSTEE PROGRAM
SALARIES AND EXPENSES**

(Dollars in thousands)

Comparison by activity and program	2009 Enacted			2010 Current Services		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
1. Administration of Cases	1,305	1,305	\$217,416	1,305	1,305	\$222,260
Total	1,305	1,305	217,416	1,305	1,305	222,260
Reimbursable FTE	0	0	0	0	0	0
Grand Total	1,305	1,305	\$217,416	1,305	1,305	\$222,260

Comparison by activity and program	Total Program Changes			2010 Request		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
1. Administration of Cases	18	9	\$2,228	1,323	1,314	\$224,488
Total	18	9	2,228	1,323	1,314	224,488
Reimbursable FTE	0	0	0	0	0	0
Grand Total	18	9	\$2,228	1,323	1,314	\$224,488