

**Findings Most Likely to Result in an "Inadequate"
Audit Opinion or Field Exam Conclusion and Their Frequency in
FY 2012 - FY 2014 Chapter 7 Audits and Field Exams
All Regions**

	<u>FY 2010</u>	<u>FY2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
<i>Number of UST Field Exa</i>	83	80	123	124	135
<i>Number of CPA Audits:</i>	197	178	117	117	120
Total	280	258	240	241	255
<i>Number of Inadequate:</i>	8	7	7	4	10

Description of Finding	Number of Findings		
	FY 2012	FY 2013	FY 2014
Case Administration Issues			
<u>Investigation, Liquidation, and Collection of Assets:</u>			
Assets sold to insiders/related parties		1	
Estate assets not secured or untimely secured	20	12	9
Trustee or auctioneer cannot account for all assets	3	2	
Untimely, inadequate, or no inventory of estate assets	13		4
Asset not timely investigated, pursued, liquidated or collected	60	43	27
Untimely turnover of auction proceeds	10	4	3
<u>Case Administration:</u>			
Delay in case administration	63	23	45
Inadequate supervision of professionals	35	26	27
Internal Controls			
<u>Bank Accounts:</u>			
Funds deposited to non-estate accounts (commingled)	3	5	7
Bank accounts not timely or properly reconciled for reviewed	145	146	148
<u>Disbursements:</u>			
Signature stamp not controlled by trustee or was used to sign checks		2	3
<u>Receipts</u>			
Undeposited funds in estate file or other unsecure location	2	2	2
<u>Segregation of Duties and Office Operations:</u>			
Trustee does not actively supervise employees	2	3	4
<u>Computer Operations and Security:</u>			
Trustee/staff cannot operate computer system	2	0	1
Total Findings Likely to Result in Inadequate Opinion/Conclusion	358	269	280

Note: The number of findings may differ slightly from prior versions of this report.