

**Findings Most Likely to Result in an "Inadequate"
Audit Opinion or Field Exam Conclusion
and Their Frequency in
FY 2011 to FY 2013 Chapter 7 Audits and Field Exams
All Regions**

	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
<i>Number of UST Field Exams:</i>	75	83	79	124	124
<i>Number of CPA Audits:</i>	165	197	178	117	117
<i>Total</i>	240	280	257	241	241
<i>Number of Inadequate Opinions</i>	10	8	7	7	4

Description of Finding	FY 2011 Findings	FY 2012 Findings	FY 2013 Findings
Case Administration Issues			
<u>Investigation, Liquidation, and Collection of Assets:</u>			
Assets sold to insiders or related parties	1		
Estate assets not secured or untimely secured	8	20	12
Trustee or auctioneer cannot account for all assets	8	3	2
Untimely, inadequate, or no inventory of estate assets	13	13	0
Asset not timely investigated, pursued, liquidated or collected	46	60	43
Untimely turnover of auction proceeds	12	10	4
<u>Case Administration:</u>			
Delay in case administration	95	63	23
Inadequate supervision of professionals	35	35	26
Internal Controls			
<u>Bank Accounts:</u>			
Funds deposited to non-estate accounts (commingled)	2	3	5
Bank accounts not timely or properly reconciled or reviewed	160	145	146
<u>Disbursements:</u>			
Signature stamp not controlled by trustee; used to sign checks; or trustee not sole authorized signer of checks	2		2
Undeposited funds in estate file or other unsecure location		2	2
<u>Segregation of Duties and Office Operations:</u>			
Trustee does not actively supervise employees		2	3
<u>Computer Operations and Security:</u>			
Trustee/staff cannot operate computer system	2	2	0
Total Findings Likely to Result in Inadequate Opinion/Conclusion	384	358	268

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