

**Findings Most Likely to Result in an "Inadequate"
Audit Opinion or Field Exam Conclusion and Their Frequency in
FY 2014 to FY 2016 Chapter 7 Audits and Field Exams All Regions**

	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
<i>Number of UST Field Exams:</i>	123	124	134	93	39
<i>Number of CPA Audits:</i>	117	117	120	183	231
<i>Total</i>	<u>240</u>	<u>241</u>	<u>254</u>	<u>276</u>	<u>270</u>
<i>Number of Inadequate Opinions</i>	7	4	10	12	7

Description of Finding	Number of Findings		
	FY 2014	FY2015	FY2016
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	9	9	3
Trustee or auctioneer cannot account for all assets		2	
Untimely, inadequate, or no inventory of estate assets	4	6	4
Asset not timely investigated, pursued, liquidated or collected	37	53	27
Untimely notice or bond claim for missing auction proceeds			1
Untimely turnover of auction proceeds	3	9	13
<u>Case Administration:</u>			
Delay in case administration	46	36	26
Inadequate supervision of professionals	26	33	12
Internal Controls			
<u>Bank Accounts:</u>			
Funds deposited to non-estate accounts (commingled)	7	8	4
Bank accounts not timely or properly reconciled or reviewed	148	137	117
<u>Receipts and Disbursements:</u>			
Signature stamp not controlled by trustee; used to sign checks; or trustee not sole authorized signer of checks	3	3	1
Undeposited funds in estate file or other unsecure location	2	4	
<u>Segregation of Duties and Office Operations:</u>			
Trustee does not actively supervise employees	4	2	
<u>Computer Operations and Security:</u>			
Trustee/staff cannot operate computer system	1	1	
Total Findings Likely to Result in Inadequate Opinion/Conclusion	290	303	209

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