

Findings Most Likely to Result in an "Inadequate" Opinion/Conclusion

FY 2000 - FY 2003 Chapter 7 Audits and Field Exams All Regions

| | <u>FY 2000</u> | <u>FY 2001</u> | <u>FY 2002</u> | <u>FY 2003</u> |
|---|----------------|----------------|----------------|----------------|
| <i>Number of OIG Audits:</i> | 219 | 167 | 166 | 145 |
| <i>Number of UST Field Exams:</i> | 88 | 106 | 142 | 101 |
| <i>Number of CPA Audits:</i> | 0 | 0 | 14 | 0 |
| <i>Total</i> | <u>307</u> | <u>273</u> | <u>322</u> | <u>246</u> |
| <i>Reports with "Inadequate" Opinion/Conclusion</i> | <u>18</u> | <u>11</u> | <u>31</u> | <u>17</u> |

| Description of Finding | FY 2000 Findings | FY 2001 Findings | FY 2002 Findings | FY 2003 Findings | FY00-03 Findings |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Case Administration Issues | | | | | |
| <u>Investigation, Liquidation, and Collection of Assets:</u> | | | | | |
| Estate assets or records not secured or untimely secured | 22 | 24 | 36 | 15 | 97 |
| Untimely/inadequate/no inventory of estate assets | 22 | 13 | 23 | 22 | 80 |
| Untimely turnover of auction proceeds | 3 | 5 | 7 | 11 | 26 |
| Internal Controls | | | | | |
| <u>Bank Accounts:</u> | | | | | |
| Funds deposited to non-estate accounts (commingled) | 32 | 26 | 26 | 11 | 95 |
| <u>Disbursements:</u> | | | | | |
| Signature stamp not controlled by trustee/used to sign checks | 8 | 6 | 9 | 2 | 25 |
| Evidence that checks have been signed before filled out | 2 | 0 | 0 | 0 | 2 |
| Use of counter checks or money orders | 1 | 0 | 0 | 0 | 1 |
| Checks payable to "cash" or "bearer" | 1 | 0 | 0 | 0 | 1 |
| <u>Receipts:</u> | | | | | |
| Undeposited funds in estate file or other unsecure location | 9 | 8 | 14 | 6 | 37 |
| <u>Segregation of Duties and Office Operations:</u> | | | | | |
| Trustee does not actively supervise employees | 9 | 5 | 5 | 1 | 20 |
| <u>Computer Operations and Security:</u> | | | | | |
| Computer system not secure | 19 | 21 | 50 | 22 | 112 |
| Trustee/staff cannot operate computer system | 12 | 9 | 6 | 4 | 31 |
| Total Number of Audit Findings | 140 | 117 | 176 | 94 | 527 |

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