



**U.S. Department of Justice**

*United States Trustee  
Region 4, Maryland, South Carolina, Virginia  
West Virginia and the District of Columbia*

*1835 Assembly Street, Suite 953  
Columbia, SC 29201*

*(803)765-5250  
fax (803)765-5260*

**MEMORANDUM**

**TO:** Chapter 7 Panel Trustees  
**FROM:** United States Trustee  
**RE:** Consolidation of Review of Trustee Final Reports  
**DATE:** November 27, 2013

In a continuing effort to improve and streamline operations, we are implementing a new procedure for the submission and review of Trustee Final Reports (TFRs). The goal is to provide a more efficient, consistent, and timely review of these reports. The TFR reviews will be completed by a team of United States Trustee staff members from around the Region who may not be stationed in your local United States Trustee's office. Accordingly, it is very important that you carefully review the guidelines and procedures set forth in this memorandum and ensure that your staff is informed concerning the changes that will be implemented beginning with all TFRs submitted by electronic means on or after December 9, 2013.

Case Closing Submissions Excluded from the Consolidated Procedure

Please continue to submit the case closing documents to your local United States Trustee's office in accordance with the procedures established by the local office in the following instances:

- Cases in which TFRs have already been submitted to the United States Trustee's office as of December 9, 2013
- Interim distributions
- Bank Statements and cancelled checks submitted in Minimal Funds cases where a Minimal Funds NDR or Ad Hoc NDR is filed

### **Case Assignment**

Cases will be assigned to Reviewers based on the last two digits of the case number. The assignment list and contact information for the Reviewers is:

Cases may be reassigned based on inventory levels, duty assignments, leave requests, and at the discretion of the supervisor.

### **TFR Submission**

When a case is ready to close, the trustee must prepare and submit a Trustee Final Report (TFR) and Notice of Final Report (NFR) to the United States Trustee for review. The TFR must be signed by the trustee under penalty of perjury and certify that all assets have been liquidated or properly accounted for and that funds of the estate are available for distribution.

Under the new consolidated procedure, all TFR submissions will be electronic and no hardcopy will be submitted to the United States Trustee unless specifically requested by the Reviewer. The trustee will maintain the original wet signature TFR for the longer period of at least two years after the date the trustee was discharged (see Handbook for Chapter 7 Trustees at page 5-18), or the time period set forth in any applicable local court rules regarding electronically filed documents and the retention of original verified documents or documents signed under penalty of perjury.

### **Submission in cases with \$25,000 or less in Gross Receipts**

- Prepare the data-enabled electronic TFR, ensuring the report contains your electronic signature and required exhibits.

Exhibit A - Individual Estate Property Record (Form 1)

Exhibit B - Cash Receipt and Disbursement Record (Form 2)

Exhibit C - Claims Review Analysis

Exhibit D – Proposed Distribution Report

- Financial account numbers must be redacted and only the last four digits of a financial account number may be shown.

- Prepare the Notice of Final Report (NFR).
- Scan or download the bank statement which reflects the balance matching the TFR.
- To the extent applicable, attach any additional documents that may be required by the bankruptcy court through administrative order, local rule, or current practice, such as fee applications (includes calculation of trustee compensation and expenses).
- Additional supporting documents may be requested by the Reviewer. In all surplus cases, however, attach a worksheet which sets forth the surplus to debtor and interest on claims. In all cases containing wage claims attach a worksheet which breaks out deductions and payments of taxes for each wage claimant.
- Email the data-enable TFR, NFR, bank statement, and any attachments to:

USTP.Region04.TFR@usdoj.gov

The email size must not exceed 8 megabytes. If the email exceeds the size limit, it may be rejected. You may need to divide the attachments and send in more than one email. Please see below regarding the subject line of the email.

- The subject line of the email must contain the following information in the stated order: case number (10 digit number, including three digit UST court designator prefix – see attachment A), space, debtor's last name (or if a business, the first two words of the business name), space, document abbreviation (i.e. TFR), space, trustee's last name. Example: 2031201678 Green TFR Jones (individual debtor(s)); 2031204568 Brown Construction TFR Jones (business debtor) – Jones would be the chapter 7 trustee in these examples.
- The attachments to the email must be named using the 10 digit case number, space, attachment abbreviation, space, and trustee's last name in the following format:

2031201678 NFR (Notice of Filings) Jones  
 2031201678 FA-White (Professional Fee Application) Jones  
 2031201678 FA-Trustee (Trustee Fee Application) Jones

Submission in cases with more than \$25,000 in Gross Receipts

- Follow the guidance set forth for cases with \$25,000 or less in gross receipts.
- In addition, the trustee must provide all original bank statements and canceled checks from all estate accounts. These should be provided in electronic (PDF) format. No physical documents need to be transmitted. An exception may be required if the banking records are voluminous. In this event, please contact the Reviewer and arrange for transmission of the paper statements or a CD containing the necessary information. If

original paper bank statements and checks are provided, they will be returned to you to be maintained with the case file.

- Additional documents or docket reference numbers may be requested depending on the complexity of the case.

#### **Treatment of Request for Administrative Expenses**

Please follow local practice with regard to the filing or submission of applications for trustee fees and expenses and professional fees and expenses. If local practice requires you to send the trustee fee application or professional fee applications to the United States Trustee prior to filing, please include the fee applications as an attachment to the email containing the TFR as referenced above.

Final fee applications will be considered by the Reviewer at the time the TFR is reviewed. If the Reviewer identifies a concern with an application, the Reviewer will, after consultation with the Supervisor and/or Assistant U.S. Trustee, contact the appropriate party, identify the problem, and propose an appropriate reduction or resolution. The professional will have 2 business days to respond. If the Reviewer is unable to resolve the concern, the matter will be referred to the appropriate local office to resolve.

#### **Errors and Corrections**

If the TFR has one or more errors, you will be sent an email that contains a description of the problem in the format set forth in attachment B. You will have 2 business days to submit the required corrections. Corrections must be directed to the Reviewer and sent by email with a subject line that identified the TFR and notes that it is a correction. If the correction is not received within 2 business days, the TFR will be noted as returned. Subsequently, upon receipt of the correction, the Reviewer will deem the corrected TFR as new and will process the review based on the date the correction was received.

If a TFR has been filed with the court and must be amended, you will submit the amended TFR to the same Reviewer who filed the TFR. Upon receipt of the amended TFR, the Reviewer will process and file it.

Errors and corrections will be tracked to ensure the accurate submission of reports and the timely resubmissions of corrections. Habitual problems will be addressed promptly with the trustee by the local office.

#### **Conclusion**

We understand that there will be some adjustment to the new procedure and the process may change as we move forward. Please be patient and carefully review the information provided in this memorandum. If you would like all inquiries and corrections to be sent to someone other than you or if you have any questions or feedback concerning the consolidation

process, please contact

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Thank you in advance for your cooperation. We look forward with you to a more efficient, consistent, and timely review of your Trustee Final Reports.

## Division Information

ACMS Group <u>Designator</u>	<u>Division Name</u>	<u>Division #</u>	<u>Court</u>
AX	Alexandria	221	Eastern District of Virginia
	District of Columbia	900	District of Columbia
BA	Baltimore	161	District of Maryland
CO	Columbia	203	District of South Carolina
CT	<b>Charleston</b>	252	Southern District of West Virginia
	Parkersburg	250	Southern District of West Virginia
	Bluefield	251	Southern District of West Virginia
	Huntington	253	Southern District of West Virginia
	Beckley	255	Southern District of West Virginia
	<b>Wheeling</b>	245	Northern District of West Virginia
	Clarksburg	241	Northern District of West Virginia
	Elkins	242	Northern District of West Virginia
	Martinsburg	243	Northern District of West Virginia
NO	Norfolk	222	Eastern District of Virginia
	Newport News	224	Eastern District of Virginia
RH	Richmond	223	Eastern District of Virginia
RN	Roanoke	237	Western District of Virginia
	Harrisonburg	235	Western District of Virginia
	Lynchburg	236	Western District of Virginia
RK	Greenbelt	160	District of Maryland

**UNIFORM REPORTS TFR/NFR ACMS CODES**  
(Notes are to be placed on comment line of screen 6 of the TFR entry)

<b><u>ERROR/OMISSION CODES</u></b>	<b><u>MEANING</u></b>
EX. A	Form 1
EX. B	Form 2
EX. C	Claims Register
EX. D	Proposed Distribution
BK ST	Bank Statement not reconciled/missing
FEE APP	Fee apps for professionals not filed or incorrect
MOTION	Trustee must file a Motion/Agreed Order
NFR	Error only on NFR
ORDER	Trustee must file an Order (Follow up to a Motion already filed)
PDF	PDF missing pages
R/D	RECEIPTS/DISBURSEMENTS on TFR and/or NFR
REPORT OF SALE	Trustee must file a report of sale
TR F/E	Trustee's Fees/Expenses (Computation of)
OTH	Other areas of concern not noted above

Not to be counted as an error/omission (TFR to be withdrawn):

NEED INFO RE:.....  
NEED COPY OF.....

<b><u>REVIEW CODES</u></b>	<b><u>MEANING</u></b>
SR	Standard Review
DR	Detailed Review