



United States Trustee Program (USTP)

FY 2012 Budget Request At A Glance

FY 2011 CR:	\$219.3 million (1,323 positions; 318 attorneys)
Current Services Adjustments:	+\$9.5 million
Program Changes:	+\$5.3 million
FY 2012 Budget Request:	\$234.1 million (1,331 positions; 413 attorneys)
Change From FY 2011 CR:	+\$14.9 million (+6.8%) (+8 positions; +95 attorneys)

Mission:

USTP's mission is to promote integrity and efficiency in the nation's bankruptcy system by enforcing bankruptcy laws, providing oversight of private trustees, and maintaining operational excellence.

Resources:

The FY 2012 budget request for USTP totals \$234.1 million, which is a 6.8 percent increase from the FY 2011 CR. The USTP operations are entirely funded from bankruptcy filing fees and Chapter 11 quarterly fees that are deposited into the U.S. Trustee System Fund and remain available to the USTP for expenditure across fiscal years as specified in Appropriations Acts. Current revenue projections indicate that the fees collected in FY 2012 will fully fund the budget request.

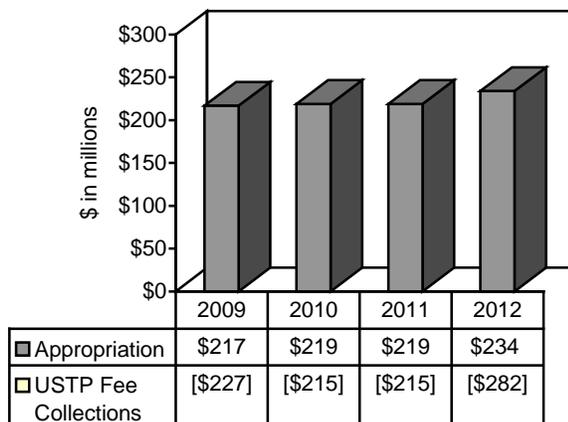
Organization:

The USTP is managed by an Executive Office in Washington DC, which is headed by a Director, a career appointee in the Senior Executive Service, who provides comprehensive policy and management direction to the U.S. Trustees and their staffs. The USTP operates in 88 judicial districts through a system of 21 regions, each region headed by a U.S. Trustee, and 95 district offices in 46 states. The USTP does not operate in the judicial districts of Alabama and North Carolina. U.S. Trustees are appointed by the Attorney General to five-year terms.

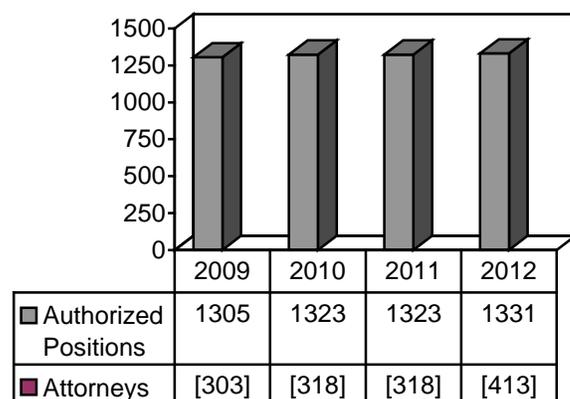
Personnel:

USTP's direct authorized positions for FY 2012 total 1,331, of which 413 are attorneys. USTP's FY 2012 request includes an increase of 8 positions, including 95 attorneys, over the FY 2011 CR level of 1,323 direct authorized positions. This increase reflects the reclassification of 95 Assistant U.S. Trustee (AUST) positions to the general attorney series 0905.

Funding (FY 2009 - 2012)



Personnel (FY 2009 - 2012)



FY 2012 Strategy:

One of the basic principles of our nation's bankruptcy system is that the honest but unfortunate debtor deserves a fresh start. Those who prey upon debtors for their own financial gain undermine that basic principle. Thus, protecting consumer debtors and being able to quickly mobilize to address increasingly complex abuse of the bankruptcy system is an important objective of the Program's enforcement efforts.

In FY 2012, the USTP is projecting that bankruptcy filings will remain constant at about 1.5 million filings, generating offsetting collections of \$281.8 million, \$47.7 million over the FY 2012 request level. Given the significant, sustained caseload increase, responsibilities mandated in the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (BAPCPA), and the increased fraud and abuse activities being investigated and litigated, it is critical that the USTP have the resources to address this workload and maintain the high level of integrity in the bankruptcy system.

Under the BAPCPA, the USTP must contract for random and non-random audits to verify the financial information provided by debtors. This provision helps the USTP identify fraud, abuse, and errors, deter the filing of false financial information, and potentially provide a baseline for measuring fraud, abuse, and errors in the bankruptcy system. While the conduct of debtor audits is statutorily mandated under the BAPCPA, the USTP has not received a direct funding source to support this requirement. The USTP has used carry-over funds since FY 2007 to pay for its debtor audit activities.

The USTP is instrumental in helping to detect mortgage fraud and creditor abuse activities that could otherwise result in significant consequences to the nation's financial systems and the general public. The FY 2012 request supports the USTP's ongoing efforts in this high priority area. The Program takes a three-pronged approach to combating mortgage fraud and abuse that includes combating foreclosure rescue schemes, addressing fraud and abuse committed by debtors, and combating mortgage servicer abuses.

FY 2012 Position Reclassification:

The primary duty of the AUST position is the administrative and legal management of an office, and the primary qualifications are that the incumbent possess a Juris Doctorate (JD) degree, be an active member of the bar, and have post-JD legal experience. The Department's Office of Attorney Recruitment and Management and the Justice Management Division support the reclassification of 95 AUST positions to the General Attorney Series (0905). The reclassification is expected to be implemented in FY 2011. It has no effect on the budget or total authorized position level.

FY 2012 Program Changes:

Debtor Audit Requirements: \$5.8 million and 8 positions

These resources will support debtor audit activities in the field, as required by the Bankruptcy Abuse Prevention and Consumer Protection Act (BAPCPA), and manage the increased workload related to contract oversight, management and reporting activities performed in the Executive Office. This program increase will be fully offset by bankruptcy fees collected during FY 2012. There is no current services base for this initiative.

Program Offset - Administrative Efficiencies: -\$216,000 and 0 positions

The Department is continually evaluating its programs and operations with the goal of achieving across-the-board economies of scale that result in increased efficiencies and cost savings. In FY 2012, the Department is focusing on areas in which savings can be achieved, which include: printing, publications, travel, conferences, supplies, and general equipment. For USTP, these administrative efficiencies will result in an offset of \$216,000.

Program Offset - Extend Tech Refresh: -\$82,000 and 0 positions

As desktops and laptops are used primarily for basic office automation applications (e.g., spreadsheets and word processing), replacing this inventory at a slower rate is expected to have minimal impact on Department operations. In FY 2012, the Department is proposing to extend the refresh rate of all desktops and laptops by one year, resulting in an offset of \$82,000 for the USTP.

Program Offset - Reduce Physical Footprint: -\$181,000 and 0 positions

It is imperative for DOJ to consider the best and most efficient use of existing resources, including whether the current geographic footprint of offices continues to make sense in an era of technology, which makes communication and outreach easier than ever before. In FY 2012, the Department is proposing the consolidation of several sub-regional office locations, which will allow components to better utilize existing workspace, as well as enhance information sharing and the ability of regional offices to deconflict efforts and reduce duplicative work. Components will also realize additional savings from the consolidation of facilities and operations services including maintenance, IT systems management, shipping, parking, and other related services. For USTP, 4 sub-regional offices will be reduced or consolidated, resulting in offset savings of \$181,000. To minimize the impact on components' operational capability, this offset applies only to GSA rent; staffing reductions are not proposed.

United States Trustee Program
(Dollars in Thousands)

	United States Trustee Program		
	Pos	FTE	Amount
2010 Enacted	1,323	1,314	219,250
2011 Continuing Resolution	1,323	1,314	219,250
2012 Request	1,331	1,327	234,115
Change 2012 from 2011 Continuing Resolution	8	13	14,865
Technical Adjustments			
Technical Adjustment	0	0	5,238
Subtotal Technical Adjustments	0	0	5,238
Total Technical Adjustments	0	0	5,238
Adjustments to Base			
Increases:			
ATB Transfers	0	0	-141
Pay & Benefits	0	9	2,145
Domestic Rent & Facilities	0	0	2,286
Subtotal Increases:	0	9	4,290
Total Adjustments to Base	0	9	4,290
Total Adjustments to Base and Technical Adjustments	0	9	9,528
2012 Current Services	1,323	1,323	228,778
Program Changes			
Increases:			
Debtor Audit Requirements	8	4	5,816
Subtotal, Program Increase	8	4	5,816
Decreases:			
Program Offset - Administrative Efficiencies	0	0	-216
Program Offset - Extend Tech Refresh	0	0	-82
Program Offset - Reduce Physical Footprint	0	0	-181
Subtotal, Program Decrease	0	0	-479
Total Program Changes	8	4	5,337
2012 Request	1,331	1,327	234,115
Change 2012 from 2011 Continuing Resolution	8	13	14,865

United States Trustee Program

(Dollars in Thousands)

Comparison by activity and program	2011 Continuing Resolution			2012 Current Services		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
Administration of Cases	1,323	1,314	219,250	1,323	1,323	228,778
Total	1,323	1,314	219,250	1,323	1,323	228,778
Reimbursable FTE	0	0	0	0	0	0
GrandTotal	1,323	1,314	219,250	1,323	1,323	228,778

Comparison by activity and program	2012 Total Program Changes			2012 Request		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
Administration of Cases	8	4	5,337	1,331	1,327	234,115
Total	8	4	5,337	1,331	1,327	234,115
Reimbursable FTE	0	0	0	0	0	0
GrandTotal	8	4	5,337	1,331	1,327	234,115