



## U.S. Trustees (USTP)

### FY 2016 Budget Request At A Glance

FY 2015 Enacted:	\$225.9 million (1,314 positions; 436 attorneys)
Current Services Adjustments:	+\$2.2 million
Program Changes:	+\$0
FY 2016 Budget Request:	\$228.1 million (1,314 positions; 436 attorneys)
Change From FY 2015 Enacted:	+\$2.2 million (+1.0%)

#### Mission:

USTP's mission is to promote the integrity and efficiency of the bankruptcy system for the benefit of all stakeholders – debtors, creditors, and the public.

#### 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 92 district office locations 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.

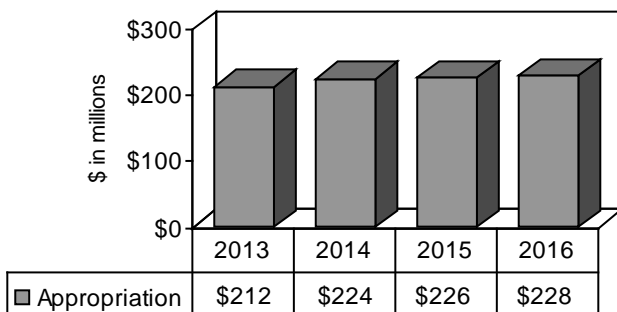
#### Resources:

The FY 2016 budget request for USTP totals \$228.1 million, which is a 1.0% increase over the FY 2015 Enacted.

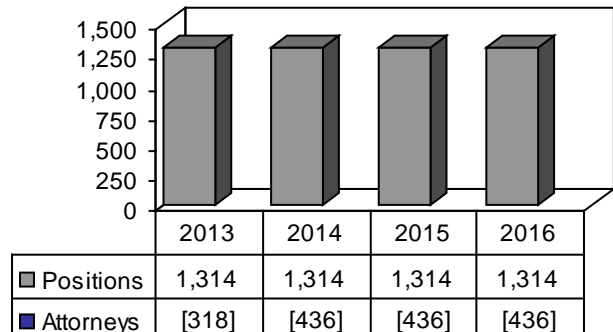
#### Personnel:

The USTP's direct positions for FY 2016 total 1,314 positions and are the same as FY 2015 Enacted.

**Funding (FY 2013 - 2016)**



**Personnel (FY 2013 - 2016)**



## **FY 2016 Strategy:**

The USTP or the “Program” is a litigating component of the Department of Justice whose mission is to promote the integrity and efficiency of the nation’s bankruptcy system for the benefit of all stakeholders – debtors, creditors, and the public. The USTP projects over 825,000 bankruptcy filings during FY 2016.

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.

By statute, the USTP has standing to participate in every bankruptcy case filed within its jurisdiction. The USTP oversees the administration of all bankruptcy cases filed by individual and business debtors in every federal judicial district except for those in Alabama and North Carolina. To ensure the integrity of the bankruptcy system, the Program employs a broad range of enforcement and oversight activities. These activities include conducting tens of thousands of civil enforcement actions each year; protecting consumer debtors from being victims of unscrupulous creditors, bankruptcy petition preparers or attorneys; providing oversight of chapter 11 cases; supervising private trustees who administer chapter 7, 12, and 13 bankruptcy cases; and participating in appeals to the district courts, circuit courts of appeals, and the U.S. Supreme Court.

The USTP has two main strategies to protect the bankruptcy system: (1) to address fraud and abuse of the system by debtors, financial institutions and other creditors, and third parties such as attorneys and non-attorney petition preparers; and (2) to ensure accountability by management of chapter 11 corporate debtors by ensuring that entrenched management does not cut off the rights of other parties, by opposing insider bonuses that do not satisfy strict statutory standards, and by ensuring that attorneys and other professional firms adhere to statutory requirements pertaining to disclosure, conflicts of interest, and payment of fees.

The USTP is instrumental in helping to combat mortgage fraud and creditor abuse activities that could otherwise result in significant adverse consequences to the nation’s financial systems.

USTP operations are funded from offsetting collections deposited in the United States Trustee System Fund (“Fund”). Filing fees in chapter 7, 11, 12 and 13 cases, and quarterly fees in chapter 11 cases generate nearly all of the offsetting collections deposited in the Fund. Bankruptcy filings have historically been generally cyclical. In recent years, however, these filing rates have been extraordinarily unpredictable. Bankruptcy filings and associated offsetting collections are currently in the midst of a four-year decline. Absent legislative changes to the fees, the USTP predicts the Fund balance would be exhausted in FY 2017. To address the offsetting collection shortfall, the USTP plans to propose a temporary adjustment to the current quarterly fee structure for chapter 11 cases that will not impact consumers or small businesses.

## **FY 2016 Program Changes:**

The budget request includes funds for current services for USTP. No program changes are requested

**U.S. Trustees**  
(Dollars in Thousands)

	U.S. Trustees		
	Pos	FTE	Amount
<b>2014 Appropriation</b>	[1,314]	1,130	224,400
<b>2015 Enacted</b>	[1,314]	1,174	225,908
<b>2016 Request</b>	[1,314]	1,184	228,107
<b>Change 2016 from 2015 Enacted</b>	0	10	2,199
<b>Technical Adjustments</b>			
<b>Total Technical Adjustments</b>	0	0	0
<b>Base Adjustments</b>			
Pay & Benefits	0	0	2,575
Domestic Rent & Facilities	0	0	-376
Other Adjustments	0	10	0
<b>Total Base Adjustments</b>	0	10	2,199
<b>2016 Current Services</b>	[1,314]	1,184	228,107
<b>Program Changes</b>			
<b>Increases:</b>			
<b>Subtotal, Program Increases</b>	0	0	0
<b>Decreases:</b>			
<b>Subtotal, Program Decreases</b>	0	0	0
<b>Total Program Changes</b>	0	0	0
<b>2016 Request</b>	[1,314]	1,184	228,107

**U.S. Trustees**  
(Dollars in Thousands)

Comparison by activity and program	2015 Enacted			2016 Current Services		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
Administration of Cases	1,314	1,174	225,908	1,314	1,184	228,107
<b>Total</b>	1,314	1,174	225,908	1,314	1,184	228,107
Reimbursable FTE	0	0	0	0	0	0
<b>Grand Total</b>	1,314	1,174	225,908	1,314	1,184	228,107

Comparison by activity and program	2016 Total Program Changes			2016 Request		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
Administration of Cases	0	0	0	1,314	1,184	228,107
<b>Total</b>	0	0	0	1,314	1,184	228,107
Reimbursable FTE	0	0	0	0	0	0
<b>Grand Total</b>	0	0	0	1,314	1,184	228,107