

**Findings Most Likely to Result in an "Inadequate"
Audit Opinion or Field Exam Conclusion**

**FY 2007 and FY 2008 Chapter 7 Audits and Field Exams
All Regions**

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>
<i>Number of UST Field Exams:</i>	134	108	119	83	88
<i>Number of CPA Audits:</i>	201	169	148	219	251
<i>Total</i>	335	277	267	302	339
<i>Opinion/Conclusion</i>	9	11	7	12	16

Description of Finding	FY 2007 Findings	FY 2008 Findings
Case Administration Issues		
<u>Investigation, Liquidation, and Collection of Assets:</u>		
<u>Assets sold to insiders or related parties</u>	1	1
Estate assets not secured or untimely secured	17	19
Trustee or auctioneer cannot account for all assets	0	8
Untimely, inadequate, or no inventory of estate assets	9	8
Asset not timely investigated, pursued, liquidated or collected	75	77
Untimely turnover of auction proceeds	17	19
<u>Case Administration:</u>		
Delay in case administration	116	113
Inadequate supervision of professionals	39	33
Internal Controls		
<u>Bank Accounts:</u>		
Funds deposited to non-estate accounts (commingled)	8	13
Bank accounts not timely or properly reconciled or reviewed	184	218
<u>Disbursements:</u>		

Description of Finding	FY 2007 Findings	FY 2008 Findings
Signature stamp not controlled by trustee; used to sign checks; or trustee not sole authorized signer of checks	3	1
<u>Receipts:</u>		
Undeposited funds in estate file or other unsecure location	3	6
<u>Segregation of Duties and Office Operations:</u>		
Trustee does not actively supervise employees	3	4
<u>Computer Operations and Security:</u>		
Trustee/staff cannot operate computer system	4	2
Total Findings Likely to Result in Inadequate Opinion/Conclusion	479	522

