

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

**FY 2006 and FY 2007 Chapter 7 Audits and Field Exams  
All Regions**

	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
<i>Number of OIG Audits:</i>	145	0	0	0	0
<i>Number of UST Field Exams:</i>	102	134	108	119	83
<i>Number of CPA Audits:</i>	0	201	169	148	219
<b>Total</b>	<b>247</b>	<b>335</b>	<b>277</b>	<b>267</b>	<b>302</b>
<i>Reports with "Inadequate"</i>	<b>18</b>	<b>9</b>	<b>11</b>	<b>7</b>	<b>12</b>

Description of Finding	FY 2006 Findings	FY 2007 Findings
<b>Case Administration Issues</b>		
<b><u>Investigation, Liquidation, and Collection of Assets:</u></b>		
<b><u>Assets sold to insiders or related parties</u></b>	0	1
Estate assets not secured or untimely secured	17	17
Trustee or auctioneer cannot account for all assets	4	0
Untimely, inadequate, or no inventory of estate assets	11	9
Asset not timely investigated, pursued, liquidated or collected	85	75
Untimely turnover of auction proceeds	10	17
<b><u>Case Administration:</u></b>		
Delay in case administration	113	116
Inadequate supervision of professionals	36	39
<b>Internal Controls</b>		
<b><u>Bank Accounts:</u></b>		
Funds deposited to non-estate accounts (commingled)	7	8
Bank accounts not timely or properly reconciled or reviewed	144	184
<b><u>Disbursements:</u></b>		
Signature stamp not controlled by trustee or was used to sign checks	3	3

Description of Finding	FY 2006 Findings	FY 2007 Findings
<b><u>Receipts:</u></b> Undeposited funds in estate file or other unsecure location	2	3
<b><u>Segregation of Duties and Office Operations:</u></b> Trustee does not actively supervise employees	1	3
<b><u>Computer Operations and Security:</u></b>		
Trustee/staff cannot operate computer system	3	4
<b>Total Number of Audit Findings</b>	<b>436</b>	<b>479</b>