



U.S. Department of Justice

Executive Office for United States Trustees

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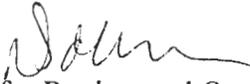
20 Massachusetts Avenue, N.W.  
Washington, D.C. 20530

December 18, 2007

VIA EMAIL

**MEMORANDUM**

TO: United States Trustees

FROM: Doreen Solomon   
Assistant Director for Review and Oversight

SUBJECT: *Handbook for Chapter 13 Standing Trustees* – Changes to Fixed Asset Register, Major Expenditures, and Employee Fidelity Coverage Sections

As you know, work has been ongoing to update the *Handbook for Chapter 13 Standing Trustees*. We expect that project to be completed within the next several months. In the meantime, however, there are three changes in the financial oversight area we wanted to make you aware of because they are effective immediately. These changes should reduce work for your staff and the standing trustees, and the change relating to fidelity bond coverage should help reduce costs to the trust.

Provided below is a statement of the new policies and a description of the change. Please be sure your staff and the trustees are made aware of these three items.

1. **Fixed Asset Register (Inventory).** *Handbook* at page 96.

*New policy:* Equipment valued at \$500 or more must be included on the trustee's fixed asset inventory.

*Change:* The minimum value for equipment required to be reported is raised from \$250 to \$500.

2. **Major Expenditures.** *Handbook* at page 9-26

*New policy:* Expenditures of \$5,000 or more must be submitted with a minimum of three price quotes to the United States Trustee for

approval. This includes aggregate purchases of items of the same type which exceed \$5,000 for the fiscal year.

*Change:* The minimum value of expenditures requiring three price quotes to be submitted to the United States Trustee for approval is raised from \$2,500 to \$5,000.

*New policy:* Leases of personal property of \$25,000 or more over the term of the lease must be submitted with a minimum of three price quotes to the United States Trustee for approval.

*Change:* The minimum value of leases of personal property requiring three price quotes to be submitted to the United States Trustee for approval is raised from \$5,000 to \$25,000.

3. **Employee Fidelity Coverage.** *Handbook*, Appendix N at page App. N-2

*New policy:* Employee fidelity coverage for Category A employees must, at a minimum, be 50 percent of the standing trustee's bond amount. (Category A employees are defined as those with significant supervisory responsibilities, access to funds or accounting records, or administrative control over computer security features at a level similar to the standing trustee.)

*Change:* The minimum employee fidelity coverage for Category A employees is reduced from the amount of the standing trustee's bond amount to a minimum of 50 percent of the trustee's bond amount.

If you or your staff have any questions regarding these changes, please contact Marty Hollowell at (202) 307-1875.

cc: EOUST Senior Staff  
Standing Trustee Coordinators