

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

**FY 2010 to FY 2012 Chapter 7 Audits and Field Exams
All Regions**

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>
<i>Number of UST Field Exams:</i>	88	75	83	79	121
<i>Number of CPA Audits:</i>	251	165	197	178	115
Total	339	240	280	257	236
<i>Number of Inadequate Opinions</i>	16	10	8	7	7

Description of Finding	FY 2010 Findings	FY 2011 Findings	FY 2012 Findings
Case Administration Issues			
<u>Investigation, Liquidation, and Collection of Assets:</u>			
Assets sold to insiders or related parties		1	
Estate assets not secured or untimely secured	18	8	19
Trustee or auctioneer cannot account for all assets	3	8	3
Untimely, inadequate, or no inventory of estate assets	7	13	13
Asset not timely investigated, pursued, liquidated or collected	41	46	52
Untimely turnover of auction proceeds	18	12	10
<u>Case Administration:</u>			
Delay in case administration	133	95	63
Inadequate supervision of professionals	34	35	35
Internal Controls			
<u>Bank Accounts:</u>			
Funds deposited to non-estate accounts (commingled)	6	2	3
Bank accounts not timely or properly reconciled or reviewed	140	160	144
<u>Disbursements:</u>			
Signature stamp not controlled by trustee; used to sign checks; or trustee not sole authorized signer of checks		2	1
<u>Receipts:</u>			
Undeposited funds in estate file or other unsecure location	1		2
<u>Segregation of Duties and Office Operations:</u>			
Trustee does not actively supervise employees	1		2
<u>Computer Operations and Security:</u>			
Trustee/staff cannot operate computer system	3	2	2
Total Findings Likely to Result in Inadequate Opinion/Conclusion	405	384	349