

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

**FY 2004 Chapter 7 Audits and Field Exams
All Regions**

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
<i>Number of OIG Audits:</i>	167	166	145	0
<i>Number of UST Field Exams:</i>	105	142	101	134
<i>Number of CPA Audits:</i>	0	14	0	223
<i>Total</i>	272	322	246	357
<i>Reports with "Inadequate" Opinion/Conclusion</i>	18	11	31	9

Description of Finding	FY 2004 Findings
Case Administration Issues	
<i><u>Investigation, Liquidation, and Collection of Assets:</u></i>	
Assets sold to insiders or related parties	2
Estate assets or records not secured or untimely secured	16
Trustee cannot account for all assets	4
Untimely, inadequate, or no inventory of estate assets	24
Untimely turnover of auction proceeds	15
Internal Controls	
<i><u>Bank Accounts:</u></i>	
Funds deposited to non-estate accounts (commingled)	15
<i><u>Disbursements:</u></i>	
Signature stamp not controlled by trustee or was used to sign checks	8
Evidence that checks have been signed before filled out	0
Use of counter checks or money orders	0
Checks payable to "cash" or "bearer"	0
<i><u>Receipts:</u></i>	
Undeposited funds in estate file or other unsecure location	14
<i><u>Segregation of Duties and Office Operations:</u></i>	
Trustee does not actively supervise employees	5
<i><u>Computer Operations and Security:</u></i>	
Trustee/staff cannot operate computer system	6
Total Number of Audit Findings	107