



MEMORANDUM

TO: All Chapter 7 Trustees, Region 2

FROM: Lisa Penpraze, Assistant U.S. Trustee – Albany
Kathleen Dunivin Schmitt, Assistant U.S. Trustee - Rochester
TFR/TDR Consolidation Supervisors

SUBJECT: TFR/TDR Updates and News

DATE: October 29, 2015

Good News:

We have upgraded the mailbox auto reply so that you will get a response each time you send a new TFR or TDR to the mailbox. Previously, if you sent in more than one TFR or TDR per day, you would only get a response for the first one. Thank you to Trustee Sekharan for bringing this issue to our attention.

If you have ideas that would better the consolidation process, please let us know.

Red Flags of Fee Applications:

Some of you have asked us to share some of the guides or red flags that may trigger further review on fee applications. While there are no per se rules, and every case is reviewed on its own, below are some items to keep in mind:

1. Fee applications preparation time that exceed 3 - 5% of total fees;
2. Total administration costs exceed 50%;
3. Minimal or no distributions to unsecured creditors;
4. Case delay. Generally this is where the asset was collected more than nine (9) months ago and there is no significant activity on the docket; and
5. Trustee work billed as attorney time.

Ask the Reviewers:

Question: I have a case where I have collected most of the assets but there is one remaining asset that I won't be able to collect for another two years. I hate to just sit on all the money and incur bank fees. Any suggestions?

Answer: We would suggest preparing an interim TFR. This will allow you to distribute what you have on hand and get paid. Then when you collect the remaining asset, you can file the "final" final report.

TDRs – Send in the Bank Statements

Be sure to send the hard copy bank statements and cancelled checks to Ercilia when you submit TDRs to the mailbox.

- Cases with total receipts of <25K or single asset case: all bank statements and cancelled checks from the inception of the bank account to the zero balance bank statement.
- Cases >25K with multiple assets: bank statements from the date of the TFR to the zero balance bank statement.