



## U.S. Department of Justice

United States Trustees, Region 10  
Central and Southern Districts of Illinois  
Northern and Southern Districts of Indiana

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101 West Ohio Street, Suite 1000 317/226-6101  
Indianapolis, IN 46204 FAX 317/226-6356

### **MEMORANDUM VIA E-MAIL**

TO: Region 10 Chapter 7 Trustee Panels

FROM: Nancy J. Gargula, United States Trustee Regions 10 and 13 *njg*

RE: Consolidation of Review of Trustee's Final Reports

DATE: December 6, 2013

By way of follow up to my email of November 26, 2013, in which I informed you of the changes involving our consolidation of trustee oversight responsibilities for the submission and review of Trustee Final Reports (TFRs), please see the new process and procedures outlined below. These new procedures will be implemented effective December 9, 2013. You will recall that the Program's goal is to provide a more efficient, consistent, and timely review of these reports. You and your staff should carefully read this Memorandum.

### **Submitting the TFR to the United States Trustee's TFR Reviewers**

Under the new consolidated procedure, all TFR submissions will be sent by email to [ustp.region10.tfr@usdoj.gov](mailto:ustp.region10.tfr@usdoj.gov). The trustee will maintain the original wet signature TFR for a period of at least two years after the date the trustee was discharged.

A complete TFR submission will include the following four named .pdf files:

1. Data-enabled Trustee's Final Report ("TFR") with trustee's electronic signature and required four exhibits: A - Individual Estate Property Record (Form 1); B - Cash Receipts and Disbursement Record (Form 2); C - Claims Review Analysis; and D - Trustee's Proposed Distribution
2. Notice of Final Report ("NFR")
3. Trustee's Report of Compensation and Expenses ("EXP")
4. Interim bank statement ("BNK") or most recent month-end bank statement which reflects the balance on-hand matching the TFR

And if applicable,

5. Worksheet which sets forth surplus to the debtor and calculation of interest on claims ("SUR")
6. Worksheet which breaks out the deduction and payment of taxes for wage claimants ("WAG")

The subject line of the email must contain the following information, in the stated order: ten digit case number, including the three digit United States Trustee court or divisional designator prefix, a list of which is set forth in Attachment A (no spaces or hyphens), space, debtor's last name or first two words if business name, space, document abbreviation, space, and trustee's last name. **[Example: 5541301234 Jones TFR Smith]** This email subject line signifies that trustee Smith submitted a TFR in the Jones case with case number 13-01234, for a case filed in the Northern District of Indiana that has a United States Trustee designator 554. If the debtor had been a business named The Foundry Limited, the words The Foundry would have replaced Jones in the subject line of the email.

The email attachments will follow the same format: ten digit case number (no spaces or hyphens), space, debtor's last name, space, document abbreviation, space, trustee's last name. Please use the following document abbreviations:

TFR	Trustee's Final Report
TFR-COR	Corrected Trustee's Final Report
NFR	Notice of Final Report
EXP	Trustee's Report of Compensation and Expenses
BNK	Interim Bank Statement
SUR	Surplus/Interest Worksheet
WAG	Wage Claim Worksheet
ROD	Trustee's Proposed Distribution (TFR Exhibit D)

All original, hard copy bank statements and canceled checks from all estate accounts will be required for chapter 7 cases with gross estate receipts over \$25,000 (except single asset cases). With these cases, please add to the above subject line naming convention "\$25K" after the Trustee's name. **[Example: 5541301234 Jones TFR Smith \$25K]** This will allow the Reviewer to know immediately that the case will need the bank statements. You will receive an email from a TFR Reviewer requesting the statements and cancelled checks at the time of review. Please also include a postage paid, self-addressed return envelope for our mailing of the bank statements and cancelled checks back to you. We do not object to your handling of this postage expense as an administrative expense of the estate but you should retain a record of these expenses in your estate files.

### **Treatment of Requests for Administrative Expenses**

The consolidation procedures contemplate that trustees will submit fee applications and receive final court orders to pay for all professionals' fees and expenses (e.g., attorney for trustee, accountant, auctioneer, appraiser, etc.) prior to submission of the TFR. These fee applications will continue to be reviewed by your local Office of U.S. Trustee. The TFR Reviewers will be responsible for review of the trustee's computation of compensation pursuant to §326 along with

associated trustee expenses.

### **Miscellaneous Matters**

- The TFR Reviewers will be filing the approved TFR in the case. This is a change for some of you. If the Local Rules or Standing Orders in your District or Division require a scanned copy of the “wet” signature, be sure to scan your signature page and submit it with your TFR to the TFR mailbox.
- Trustees will continue to be responsible for filing of the Notice of Trustee's Final Report and Applications for Compensation and Deadline to Object (NFR) along with the Certificate of Service.
  - If events occur in the case which affect the TFR’s accuracy, **after submission of the TFR to the United States Trustee but prior to processing and filing**, please submit an email to the USTP mailbox identified above that you would like to withdraw the TFR so that you can make the necessary revisions.
  - If other events occur in the case affecting the accuracy of the TFR, **after the TFR has been filed with the Court**, please submit an Amended TFR directly to the USTP mailbox identified above for processing and filing.
  - In the event a supplemental distribution is required when a creditor has returned a dividend because the claim is no longer due for whatever reason, please provide a Trustee’s Proposed Distribution or (“ROD”), also known as Exhibit D to the TFR, directly to the USTP mailbox identified above. Upon the filing of the ROD by the TFR Reviewer, you can immediately proceed with the distribution.
  - The following will continue to be reviewed by your local United States Trustee's office in accordance with the procedures established by the local office: cases where the closing documents are to be filed under seal or redaction; bank statements and cancelled checks submitted in Minimal Funds cases where Minimal Funds NDR or Ad Hoc NDRs are filed; submissions by non-panel trustees; and review of interim distributions.

### **Errors and Corrections**

If the TFR Reviewers identify an error requiring correction, you will be sent an email that contains a description of the problem. You will have two business days to submit the required corrections. All corrections must be directed to the TFR Reviewer and sent by email using the standard subject lines set forth above, with TFR-COR as the document abbreviation. If the correction is not received within two business days, the TFR will be noted as returned. Subsequently, upon receipt of the correction, the TFR Reviewer will deem the corrected TFR as new and will process the review based upon the date the correction was received.

Errors and corrections will be tracked to ensure the accurate submission of TFRs and the timely resubmissions of corrections. Habitual problems will be addressed promptly with the trustee by the local office.

### **Contact Information for Questions or Problems**

Please carefully review the information provided in this Memorandum and ensure your staff is aware of these changes. We may need to make some adjustments to the new procedures and the processes as we move forward. The TFR consolidation review process is being overseen by Region 10 Regional Supervisor, Rick Rader. Please contact Rick at 317.226.6032 or by email at [rick.rader@usdoj.gov](mailto:rick.rader@usdoj.gov) if you have any questions or feedback concerning the information in this Memorandum. You are always free to email me directly at [nancy.gargula@usdoj.gov](mailto:nancy.gargula@usdoj.gov).

Thank you in advance for your cooperation. We look forward to providing you with a more efficient, consistent, and timely review of your Trustee Final Reports.

cc: Region 10 Staff