

Training for Recently Appointed Panel Trustees Exceeds All Expectations

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When Lawrence Friedman became the Director of the United States Trustee Program in March 2002, he shared his vision of a national training program for Chapter 7 and Chapter 13 trustees. The Director's vision became a reality this year, when the Program presented its first national training sessions for "newer" panel and standing trustees at the National Advocacy Center (NAC), a Department of Justice training facility located on the campus of the University of South Carolina in Columbia.

The first training session for "recently appointed" Chapter 13 standing trustees was held at the NAC in June, and was a smashing success (as we reported in a prior issue of *NAC TT Quarterly*). In November, we conducted the inaugural training session for "newer" Chapter 7 panel trustees, and I am happy to report that the Chapter 7 program was also successful, offering a wonderful learning opportunity for everyone who participated. The training session provided the forum for newer trustees to learn from the experience of seasoned trustees while sharing their own personal experiences and posing questions and concerns. The breadth and depth of the panelists' experience was impressive, and the questions from the attendees reflected their desire to increase their knowledge and translate that knowledge into improved case administration.

The "New Trustee Training for Chapter 7 Trustees" was presented in a panel format, with the first panel focusing on Chapter 7 case administration. United States Trustees Habbo Fokkena (Regions 12 and 19) and Mary May (Region 20) opened with a statistical slide presentation illustrating how asset cases are administered throughout the country. The geographical variations were striking, even for judicial districts within the same state. Long-time trustees Michael Grassmueck (Portland, Ore.), Diane Jensen (Fort Myers, Fla.), Soneet Kapila (Miami, Fla.), and Dwayne Murray (Baton Rouge, La.), who collectively closed more than 3,000 asset cases over the last five years, provided valuable insights on how to decide if a case should be administered as an asset case, as well as useful pointers on preparing for and conducting Section 341 meetings.

Other case administration issues were explored in two panels moderated by United States Trustee J. Christopher Marshall (Region 1) and United States Trustee Ilene Lashinsky (Region 14). Panelists discussed administration of estate assets, including marshaling and collecting assets, conducting sales, and supervising professionals, and special case administration situations such as operating cases, converted cases, and elections. Panel participants included Chapter 7 trustees Barbara Balaber Strauss (White Plains, N.Y.), Katherine Belfance (Akron, Ohio), David Birdsell (Phoenix, Ariz.), Jim Boyd (Traverse City, Mich.), Neal Gordon (Atlanta, Ga.), and Soneet Kapila.

Additional panel sessions provided hands-on advice for setting up an office, managing case administration, working with debtors' attorneys, responding to creditors' inquiries, avoiding liability, and

understanding the United States Trustee's oversight role. A panel on civil and criminal enforcement, which paired Assistant United States Trustees Diana Adams (Brooklyn, N.Y.) and Dan Casamatta (Grand Rapids, Mich.) with Chapter 7 trustees Jim Boyd and John Pereira (New York, N.Y.), produced a stimulating discussion on how United States Trustees and panel trustees work together to generate significant and successful enforcement efforts. This panel was introduced by the Program's Civil Enforcement Co-Coordinator Mark Redmiles and Criminal Enforcement Chief Peter Ainsworth.

The training session concluded with an engaging presentation on ethics by Bankruptcy Judge Steven W. Rhodes of the Eastern District of Michigan and attorney Claire Ann Resop of Murphy Desmond S.C. in Madison, Wis., and a discussion of case law developments by United States Trustee W. Clarkson McDow (Region 4) and panel trustee Sam Crocker (Nashville, Tenn.).

The next Chapter 7 New Trustee Training Program is currently scheduled for April 2004, and will include trustees appointed between October 2002 and the spring of 2003. Another Chapter 7 session, to be held in the fall of 2004, is also in the planning stage. Ultimately, we intend to hold national training sessions annually for Chapter 7 trustees who have served on a panel for at least six months. In addition, there are plans on the drawing board for a second Chapter 13 training program in Fiscal Year 2005 for newly appointed standing trustees. Finally, in light of the success of the Chapter 13 and Chapter 7 new trustee training programs conducted this year, we are already receiving requests from experienced trustees for United States Trustee sponsored training programs designed to meet their particular needs.

As Director Friedman noted during his opening remarks, United States Trustees and private trustees are partners in pursuit of a common goal: the effective and efficient administration of bankruptcy cases. This assumes a level of professionalism that demands accountability by trustees and requires reasonable oversight by United States Trustees. Through the national training programs, it is the goal of the United States Trustee Program to establish mutual understandings of trustee obligations, to clearly communicate Program expectations, and to develop relationships that will result in a stronger bankruptcy system.