

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

**FY 2005 and FY 2006 Chapter 7 Audits and Field Exams
All Regions**

	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>
<i>Number of OIG Audits:</i>	166	145	0	0	0
<i>Number of UST Field Exams:</i>	142	102	134	108	119
<i>Number of CPA Audits:</i>	14	0	201	169	148
<i>Total</i>	322	247	335	277	267
<i>Reports with "Inadequate" Opinion/Conclusion</i>	23	18	9	11	7

Description of Finding	FY 2005 Findings	FY 2006 Findings
Case Administration Issues		
<u>Investigation, Liquidation, and Collection of Assets:</u>		
Assets sold to insiders or related parties	1	0
Estate assets not secured or untimely secured	22	17
Trustee or auctioneer cannot account for all assets	6	4
Untimely, inadequate, or no inventory of estate assets	19	11
Untimely turnover of auction proceeds	17	10
Internal Controls		
<u>Bank Accounts:</u>		
Funds deposited to non-estate accounts (commingled)	12	7
<u>Disbursements:</u>		
Signature stamp not controlled by trustee or was used to sign checks	4	3
Evidence that checks have been signed before filled out	0	0
Use of counter checks or money orders	0	0
Checks payable to "cash" or "bearer"	0	1
<u>Receipts:</u>		
Undeposited funds in estate file or other unsecure location	8	2
<u>Segregation of Duties and Office Operations:</u>		
Trustee does not actively supervise employees	2	1
<u>Computer Operations and Security:</u>		
Trustee/staff cannot operate computer system	6	3
Total Number of Audit Findings	97	59