

TRUSTEE TIP SHEET

- **Amended Distribution** – Only pertains to a change in the distribution (no “new” money received by the Trustee). Generally, it is not necessary to file with the Court, although in certain situations, it may be filed by the Trustee with a certification or revised proposed order which includes the new proposed distribution as an attachment. In instances when a revised proposed distribution has not been filed with the Court, please provide the UST with a PDF courtesy copy of the revised distribution and the circumstances that warranted the revision. The UST will review the changed distribution when the TDR is reviewed.
- **Amended Schedules** – If the amended schedules include a new asset, record the new asset as an unscheduled asset on Form 1. If the asset was on the original schedules and only the amount was amended, then revise the Column 2 amount to the new amount and keep as a scheduled asset.
- **Amended TFR** – Only required if there is “new” money. Include a cover letter explaining the circumstances for the new money. The amended TFR must be approved by the UST and filed with the Court.
- **Form 2 real estate transactions** – Ensure that the “Received From” includes the buyer’s name in Column 3. (If the buyer’s name was initially omitted from Column 3, please include the buyer’s name in Column 4, as Column 3 may not be revised).
- **Refunds** – If a refund check is received that relates to a previous estate disbursement, then record the transaction as a negative disbursement and use the same UTC.

- **Surplus funds TFR's** -- Be sure to include interest on claims. Interest is calculated from date of the filing of the petition. The legal rate of interest may be found on the web.
- **TFR** – Do not submit the TFR until all case administration is complete, e.g., all final fee applications are submitted (or filed if required), all orders are entered for any pending motions or complaints, all adversary procedures are closed on the docket, and CNO or notice of abandonment periods have been met.
- **TFR attachments** -- Include the following with the TFR, if applicable: Preference log, Accounts Receivable (“A/R”) log, and HUD-1 (if applicable and if HUD-1 has not already been docketed).
- **TIR attachments** – Include Preference logs, A/R logs, copies of bank statements for month of the period ending date, and HUD-1 (if not already filed with the Court).
- **Unknown asset value** – Form 1, Column 2 should reflect “unknown” if the schedules reflect “unknown.” Form 1, Column 3 should contain the Trustee’s estimated net value.
- **UTC's** – ensure that the Form 2 does not include sub-codes.

Additional Tips (added 9/15/16):

- **Sub-codes v. Wildcards** – Sub-codes are the 5th and 6th digits of a UTC, e.g., 2820-xx0. Region 3 does not use sub-codes. Wildcards are the 7th digit, e.g., 2820-00x. “0” is the default wildcard. “1” is used for funds turned over to the court. “2” is used for non-compensable transactions. Additionally, software providers may also use wildcards such as “3” for voids and “4” for stop payments.
- **Refunds and Reversals** – When recording refunds or reversals on Form 2, be sure to use the same UTC as the original transaction.

- **Claims Allowed & Claims Paid** – The TFR Proposed Distribution and TDR Exhibits should never list the Claims Paid as an amount greater than the Claims Allowed amount. Payments must be linked to claims.
- **Chapter 7 Operating Cases** – If there is a business to operate, the Trustee must obtain an Order under § 721 to operate, and file timely Monthly Operating Reports pursuant to § 704(a)(8). (Please refer to “Chapter 7 Operating Cases” training handout materials.)
- **DSO Notice Requirements** – Trustees are required to provide written notices to domestic support obligation claim holders and State child support enforcement agencies for DSO obligations, such as child support, spousal support, alimony, maintenance, etc. (Please refer to UST Newsletter (June 2016 – No. 2) and “DSO” training handout materials.)
- **Referrals** – Trustees are reminded to submit timely civil and criminal referrals to the UST. Check with your UST office if you have questions regarding submissions. (Please refer to “Trustee Referrals” training handout materials.)
- **Form 1 Assets in Converted Cases** – In cases converted from a prior chapter, the Form 1 assets should reflect the assets at the time of conversion. (Please refer to the “Instructions for Form 1, Individual Estate Property Record and Report,” p. 2 of 5, and Trustee Training “Form 1” handout materials.)
- **NDRs** – If minimal funds were received that were not administered by the Trustee, the “Chapter 7 Trustee’s Report of No Distribution – minimal funds collected” report should be filed. In addition, the Trustee must submit the original bank statements and Form 2 to the UST for review. Please also ensure that you include any minimal funds cases on the TIR Form 3.