



U.S. DEPARTMENT OF JUSTICE

United States Trustee  
District of Arizona

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230 North First Avenue, Suite 204 (602) 682-2600  
Phoenix, Arizona 85003-1706 fax (602) 514-7270

**To:** Region 14 Chapter 7 Trustees  
**From:** Ilene J. Lashinsky *Ilene J. Lashinsky*  
U.S. Trustee  
**Date:** November 26, 2013  
**Re:** Consolidation of the Review of Trustee Final Reports  
**Effective – December 9, 2013**

In a continuing effort to improve and streamline operations, we are implementing a new procedure for the submission and review of Trustee Final Reports (TFRs). The TFR reviews will be completed by a team of United States Trustee staff members in the Phoenix Office. Accordingly, it is very important that you carefully review the guidelines and procedures set forth in this memorandum and ensure that your staff is informed concerning these changes which will be implemented beginning with all TFRs submitted by electronic means on and after December 9, 2013.

**Submissions Excluded from the Consolidated Procedure**

Please continue to submit the case documents to the Phoenix United States Trustee's Office in accordance with the procedures established by the Phoenix Office in the following instances;

- Case closing submissions by non-panel trustees
- Review of trustee requests for interim distributions including payment of professional fees.

**Case Assignment**

Cases will be assigned a team of Reviewers. Cases may be reassigned based on inventory levels, duty assignments, leave requests, and at the discretion of Elizabeth Amorosi as supervisor of the process.

## TFR Submissions

Under the new consolidated procedure, all TFR submissions will be **electronic** and no hardcopy will be submitted to the United States Trustee unless specifically requested by the Reviewer. The Reviewer will file the TFR and NFR with the court. The trustee will maintain the original wet signature TFR for the greater of at least two years after the date the trustee was discharged,<sup>1</sup> or the time period set forth in any applicable local court rules regarding electronically filed documents and the retention of original verified documents or documents signed under penalty of perjury.

### Submission in cases with \$25,000 or less in Gross Receipts

- Prepare the data-enabled electronic TFR, ensuring the report contains your electronic signature and required exhibits. The four exhibits are:

Exhibit A	Individual Estate Property Record (Form 1)
Exhibit B	Cash Receipt and Disbursement Record (Form 2)
Exhibit C	Claims Review Analysis
Exhibit D	Proposed Distribution Report
  
- Financial account numbers must be redacted and only the last four digits of a financial account number may be shown.
  
- Prepare the Notice of Final Report (NFR).
  
- Obtain an interim (snapshot) bank statement which reflects the balance matching the TFR.
  
- Email the data-enabled TFR, NFR, and interim bank statement to [USTP.Region14.TFR@usdoj.gov](mailto:USTP.Region14.TFR@usdoj.gov)
  
- The subject line of the email must be formatted as follows:
  - a. Three digit prefix-
    - 700 for Yuma
    - 702 for Phoenix
    - 703 for Prescott
    - 704 for Tucson
  - b. Seven digit case number
  - c. Debtor last name or first name of business

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<sup>1</sup> See *Handbook for Chapter 7 Trustees* at p 5-18.

- d. TFR
- e. Trustee last name

Example:

700131xxxx Smith TFR Trustee  
702132xxxx Smith TFR Trustee  
703133xxxx Smith TFR Trustee  
704134xxxx Smith TFR Trustee

- The attachments to the email must be named as follows;

TFR: Ten Digit Case number debtor's last name TFR Trustee's last name  
NFR: Ten Digit Case Number debtor's last name NFR Trustee's last name  
Bank Statement: Ten Digit Case Number debtor's last name Bank  
Statement Trustee's last name

- To the extent applicable, attach any additional documents that may be required by the bankruptcy court through administrative order, local rule, or current practice.
- Additional supporting documents may be requested by the Reviewer. However, in all surplus cases, attach a worksheet which sets forth the surplus to debtor and interest on claims. Name the attachment "Surplus Funds". In all cases containing wage claims attach a worksheet which breaks out deductions and payments of taxes for each wage claimant. Name the attachment "Wage Claims".

#### Submission in cases with more than \$25,000 in Gross Receipts

- Follow the guidance set forth for cases with \$25,000 or less in gross receipts.
- Do not provide the interim bank statement as an attachment to the email. When the Reviewer is ready to begin the review of the TFR, you will be contacted to send all original bank statements and cancelled checks to an address designated by the Reviewer. The address will change depending on the Reviewer so please do not send anything other than what has been requested by the Reviewer.
- Additional documents or docket reference numbers may be requested depending on the complexity of the case.
- After the review is complete, the original bank statements and checks will be returned to you to be maintained with the case file.

#### Errors and Corrections

If the TFR has one or more errors, you will receive an email that contains a description of the problem in the format set forth in the attachment. You will have 48 business hours to

submit the required corrections. Corrections must be directed to the Reviewer and sent by email with a subject line that identifies the TFR and notes that it is a correction. If the correction is not received within 48 hours, the TFR will be noted as returned. Upon receipt of the correction, the Reviewer will deem the corrected TFR as new and will process the review based on the date the correction was submitted.

If a TFR has been filed with the court and must be amended, you will submit the amended TFR to the same Reviewer who filed the TFR. Upon receipt of the amended TFR, the Reviewer will process and file it.

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

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

Please follow local practice with regard to the filing or submission of applications for trustee fees and expenses and professional fees and expenses. If local practice requires you to send the trustee fee application or professional fee applications to the United States Trustee prior to filing, please include the fee applications as an attachment to the email containing the TFR and name the attachment as follows: Seven digit case number Name Trustee Fee App or seven digit case number Name Attorney Fee App.

Final fee applications will be considered by the Reviewer at the time the TFR is reviewed. If the Reviewer identifies a concern with an application, the Reviewer will contact the appropriate party, identify the problem, and propose an appropriate reduction or resolution. The professional will have 48 business hours to respond. If the Reviewer is unable to resolve the concern, the matter will be referred to the appropriate local office to resolve.

#### **Conclusion**

We understand that there will be some adjustment to the new procedure and the process may change as we move forward. Please be patient and carefully review the information provided in this memorandum. If you have any questions or feedback concerning the consolidation process, please contact Elizabeth Amorosi, Assistant U.S. Trustee, Phoenix, Arizona at [elizabeth.c.amorosi@usdoj.gov](mailto:elizabeth.c.amorosi@usdoj.gov)



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**To:** Region 14 Chapter 7 Trustees  
**From:** *Ilene J. Lashinsky*  
Ilene J. Lashinsky  
U.S. Trustee  
**Date:** November 26, 2013  
**Re:** Consolidation of the Review of Trustee Distribution Reports  
**Effective – December 9, 2013**

As part of the ongoing efforts to improve operations, the review of Trustee Distribution Reports (“TDRs”) is being consolidated under a team of reviewers and Cheri Hendrix for the Region. The goal is to provide a more consistent and timely review of these reports.

Please carefully read this letter and ensure your staff reads this letter as it provides instruction on how and where to deliver your TDRs on and after December 9, 2013. This may be different than current procedures.

**TDR Submissions**

As in the past, TDRs will be submitted to the United States Trustee after all checks have cleared and you have the original zero balance bank statement(s) and all canceled checks (except those previously submitted with the Trustee Final Report (TFR)). The TDR and supporting documentation should be submitted within 125 days after the entry of the order allowing final compensation and expenses to you and other estate professionals.

Below is the procedure you **must** follow for the submission and review of your TDRs:

**Include in the Hard Copy Submission:**

1. A printed copy of the Notice of Final Report (NFR) as a cover page. If there have been subsequent changes, submit the most current Report of Distribution.
2. Cancelled checks, voided checks, and returned checks in numeric order to the extent possible. Do not include deposit advices.

3. Bank statements, most current on top, separated by account.
4. In cases with \$50,000 or more in disbursements, include a paper copy of the TDR or a copy on CD. (Bank records cannot be provided on CD.)
5. The hard copy package may be either hand delivered to the USTO in Phoenix or mailed to:

230 North 1<sup>st</sup> Avenue, Suite 204  
Phoenix, Arizona 85003

**Include in the Electronic Submission:**

1. The data-enabled electronic TDR, ensuring that the report contains your electronic signature and all nine required exhibits. The nine exhibits are:

Exhibit 1	Gross Receipts
Exhibit 2	Funds Paid to Debtor & Third Parties
Exhibit 3	Secured Claims
Exhibit 4	Chapter 7 Administrative Fees and Charges
Exhibit 5	Prior Chapter Administrative Fees and Charges
Exhibit 6	Priority Unsecured Claims
Exhibit 7	General Unsecured Claims
Exhibit 8	Form 1 – Individual Estate Property Record <sup>1</sup>
Exhibit 9	Form 2 – Cash Receipts and Disbursements Record <sup>2</sup>

2. The data enabled pdf of the TDR attachment must be named in a specific format and order so that the reviewer can easily identify the Court, case number and trustee. (A three digit prefix will be added to the case number corresponding to the UST ACMS Court designation.) This format is basically Ten digit case number(no spaces or hyphens), space, debtor's last name or first two words if business name, space, document abbreviation, space, trustee's last name
  - a. Three digit prefix –  
702 for Phoenix, 700 for Yuma, 703 for Prescott, 704 for Tucson
  - b. Seven digit case number
  - c. Debtor last name or first name of business
  - d. TDR
  - e. Trustee last name.

Example:     7021300001   Creel TDR Mullen

3. Send the electronic TDR to the following email address:  
[USTP.Region14.TDR@usdoj.gov](mailto:USTP.Region14.TDR@usdoj.gov)

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1 Ensure that all personally identifiable information is redacted on Exhibit 8 and 9. Personally identifiable information includes full social security numbers, taxpayer-identification numbers, birth dates, names of minor children and financial account numbers. It does not include estate tax identification numbers and bank account numbers.

2 See footnote 1.

4. The subject line of the email must be specific for automatic email rules.
  - a. TDR followed by dash
  - b. PX (PX is Region 14's field office code)

Example: TDR-PX

The hard copy of the documents and the email should be sent at the same time.

After the review is complete, the original bank statements and checks will be returned to you. Please ensure that these records, along with all estate records, are retained in accordance with the *Handbook for Chapter 7 Trustees* at pp 9-23 to 9-25. Ensure compliance with any local rules regarding the electronic filing of verified documents or documents signed under penalty of perjury. The United States Trustee will no longer retain the original or a hard copy of the TDR.

### **Errors and Corrections**

If the TDR submission contains an error and cannot be approved, you will be sent an email containing a description of the problem. You will have five business days to respond and provide the missing or corrected information. If the error requires the submission of a new electronic TDR, the report should be sent to the above email address with the following subject line: Corrected TDR-PX

Example: Corrected TDR-PX

The corrected data enabled pdf of the TDR should have "-COR" inserted in the original name. (See #2 under Electronic Submission.)

Example: 702130002 Elliott TDR-COR Mullen

Errors and responses will be tracked to ensure the accurate submission of reports and timely resubmissions of corrections. Habitual problems will be addressed promptly with the trustee.

It is understandable that there may be some adjustments to this new procedure and the process may change or be refined as it moves forward. To make these changes as seamless as possible, carefully review the information provided in this letter, ensure that your staff is made aware of these changes, and call or email the contact person named below if you have any questions or feedback concerning the information contained herein.

### **Contact Information**

General information: Cheri Hendrix  
Cheri.L.Hendrix@usdoj.gov  
602-682-2602