

 **U.S. Department of Justice**

 Executive Office for United States Trustees

*Office of Oversight*   *441 G Street, N.W., Suite 6150*

 *Washington, D.C. 20530*

**LIST OF CHANGES AND UPDATES TO THE**

**HANDBOOK FOR CHAPTER 7 TRUSTEES**

**AND SUPPLEMENTARY MATERIALS**

**April 2017**

Handbook Chapter 4, Duties of a Trustee in the Administration of a Case

C.3.a. Inventory of Estate Property (Pages 4-3 to 4-4)

* Revised to read as follows:

“The trustee should inventory the debtor’s property, unless the trustee accepts as that inventory the debtor’s Schedule A - Real Property and Schedule B - Personal Property. Fed. R. Bankr. P. 2015(a)(1). Given the debtor’s duty to cooperate with the trustee in preparation of this inventory, the trustee must verify at the meeting of creditors that the debtor’s inventory, as shown on Schedules A and B or other documents, is complete and satisfactory. There may be instances when Schedules A and B do not provide sufficient detail in order to properly administer the assets. For example, if the debtor has listed Furs and Jewelry at $10,000, the trustee will need to obtain a detailed list of the items. In addition to a written list, the trustee should consider using other methods to document the assets, such as videotaping the assets. The inventory must be sufficient to enable a trustee to later verify whether an auctioneer or other liquidator has accounted for all property turned over for sale. In addition, see Chapter 4.C.10.e and Chapter 4.C.10.g which further discuss the trustee’s responsibilities: 1) to supervise professionals who take possession of estate assets, and 2) to monitor the status and safeguarding of the assets held by the professionals. 11 U.S.C. § 704, Fed. R. Bankr. P. 2015. [Language amended April 1, 2017.]”

Handbook Chapter 5, Financial Policies, Procedures and Reporting Requirements

A. Adequate Recordkeeping and Reporting

* Footnote 6 is revised to read as follows:

“These records are electronically submitted to the United States Trustee at least annually. In addition, Form 1 and 2 are periodically filed with the court in some jurisdictions, and they are attached to TFRs and TDRs filed with the court. Financial-account numbers must be redacted in Forms 1 and 2 filed with court; only the last four digits of a financial-account number may be shown. See Fed R. Bankr. P. 9037(a)(4). [Language amended April 1, 2017.]

Handbook Chapter 6, United States Trustee Oversight

C.1 Audit and Field Exam Reports

* First paragraph, revised to read as follows:

“A written report on the results of the audit or field exam is issued usually within 60 days of the exit conference. The United States Trustee forwards the report to the trustee, and the trustee must provide a written response to the United States Trustee within 21 days. 28 U.S.C. § 586. The trustee’s response must describe and document the corrective actions taken and the procedural changes implemented. [Language amended April 1, 2017.]”

C.2 Case Administration Review Reports

* First paragraph, revised to read as follows:

When applicable, the trustee will receive a written notice of deficiencies with deadlines for implementing corrective actions. The trustee will be requested to provide a written response to the United States Trustee within 21 days of the date of the written notice. [Language amended April 1, 2017.]

General Instructions for Interim Reports (TIRs)

* Third paragraph, revised to read as follows:

“Utilizing these records, the trustee provides an interim report (also known as the Trustee Interim Report or TIR) to the United States Trustee at least annually and upon request. The report is to be submitted electronically in both a portable document format (PDF) and a spreadsheet format, according to the specifications prescribed by the Program. The TIR consists of the Form 3, which is a summary listing of all pending asset cases (as defined above), a Form 1 for each listed case, and a Form 2 for each case with an estate bank account. [Language amended April 1, 2017.]”

Instructions for Form 3 – Summary Interim Asset Report

When to Complete Form 3

* First paragraph revised to read as follows:

“Trustees are required to file a Summary Interim Asset Report (Form 3) at least annually, unless the United States Trustee requires that it be filed more frequently. Form 3 includes the trustee’s certification that he or she has filed and reviewed Forms 1 and 2 for all cases listed on the Form 3 and that they are accurate and correct to the best of trustee’s knowledge. The trustee’s signature and date may be handwritten or electronic. Either method is acceptable for the trustee’s certification. [Language added April 1, 2017.]”