



**FIRST SET OF
QUESTIONS AND ANSWERS CONCERNING
2011 CHAPTER 13 AUDIT BIDS**

Question 1: Would it be possible to receive a redacted copy of an audit report so that we can see what the final deliverable looks like?

Answer 1: We are not able to provide to you a redacted copy of a report but offer the following guidance. Auditors should provide two reports - the Independent Auditors' Report on the Annual Report of the Chapter 13 Standing Trustee and the Report on Prescribed Procedures. The Independent Auditors' Report on the Annual Report is a typical Auditor's Report auditing the client's Annual Report. The Annual Report form is included in the Chapter 13 Audit Bid Package emailed to you. The format for the Report on Prescribed Procedures is described in greater detail in the Statement of Work at Section II.B., Report on Prescribed Procedures, Format for Reporting on Prescribed Procedures. We also provide a sample format in Appendix A to the Statement of Work.

Question 2: I understand that the Executive Office for United States Trustees (EOUST) will review audit working papers. Is there a cost associated with this review?

Answer 2: The EOUST periodically reviews auditor working papers as part of its ongoing review and quality control efforts. This review assists us in determining whether the objectives of the audit are being met and whether a revision of the current statement of work is necessary. There is no cost to the firm associated with this review except those costs you incur to prepare and ship copies of the working papers. The papers may be in electronic or paper format.

**SECOND SET OF
QUESTIONS AND ANSWERS CONCERNING
2011 CHAPTER 13 AUDIT BIDS**

Question 1: Is the Auditor required to be located in the same geographical location as the standing trustee?

Answer 1: No, there is no such requirement. The Auditor must, however, comply with all state and local statutes and regulations for auditing in those jurisdictions.

Question 2: What is the typical amount of time spent in the field?

Answer 2: The EOUST does not have that information for any geographical areas.

Question 3: Can a portion of the audit work be performed from the Auditor's office?

Answer 3: Yes, a portion of the audit work may be performed from the Auditor's office.

Question 4: Will annual reports be available for review in advance of fieldwork?

Answer 4: Yes, the Auditor may request a copy of the annual report prior to fieldwork.

Question 5: Are exit conferences with the standing trustee and the United States Trustee conducted face-to-face or via telephone?

Answer 5: Exit conferences are usually held at the end of field work. The Auditor and standing trustee attend in person; the United States Trustee may attend in person or by telephone.

**THIRD SET OF
QUESTIONS AND ANSWERS CONCERNING
2011 CHAPTER 13 AUDIT BIDS**

Question 1: What are the total billed audit hours for each trustee in Regions 9 and 10 for the most recent performed audit?

Answer 1: The EOUST does not have that information for any geographical areas.

Question 2: What was the total billed amount for each trustee in Regions 9 and 10 for the most recent performed audit? What is the current budgeted audit fee service cost for each trustee in Regions 9 and 10?

Answer 2: Information on audit services costs for audits performed in FY 2011 is not available. Costs for audits performed during FY 2010 may be found in the FY 2010 Chapter 13 Trustee Audited Annual Report spreadsheet posted on the United States Trustee Program (USTP) web page at http://www.justice.gov/ust/eo/private_trustee/library/chapter13/index.htm, in the section entitled Chapter 13 Statistics.

Question 3: Were there any cost overruns in regions 9 and 10, and if so, please provide details on overruns.

Answer 3: No, there were no cost overruns.

Question 4: Are cost overruns billed separately?

Answer 4: Please see Section 6.0 of the Audit Services Agreement, Changes to Statement of Work, Additional Work and Extra Work (“Change Orders”).

Question 5: What is the due date for completion of the September 30, 2011 Annual Reports by the standing trustees?

Answer 5: Annual Reports are due to the United States Trustee on November 15 but may be completed earlier.

Question 6: For Regions 9 and 10, could you provide us with the Annual Report, including related disclosures, and the Report on Prescribed Procedures?

Answer 6: It is logistically impractical to make available copies of the audited reports to all firms receiving the bid proposal. Annual report data by trustee is available,

however, in the FY 2010 Chapter 13 Trustee Audited Annual Report spreadsheet posted on the United States Trustee Program (USTP) web page at http://www.justice.gov/ust/eo/private_trustee/library/chapter13/index.htm, in the section entitled Chapter 13 Statistics. We are not able to provide Reports on Prescribed Procedures. The most frequent findings in FY 2009 (FY 2010 data not available) involved case monitoring, expense account issues, disbursement processing, computer system security and segregation of duties. There were no adverse or qualified opinions in either FY 2009 or FY 2010.

Question 7: Does the firm opining on the report need to be licensed in the trustee's state (i.e., the state in which the work is to be performed)?

Answer 7: The Auditor must meet the State Board of Accountancy's requirements for conducting audits in each state in which work is to be performed. See Evaluation Criteria at Section VI.J. If you determine you must be licensed, the Auditor must inquire of the specific licensing agency before submitting the bid to determine the requirements for a license, and must determine that the firm can reasonably expect to meet those requirements and that the license can be granted before the audit begins. The Evaluation Criteria at section XII.B. requires that the successful Auditor be qualified to audit each chapter 13 trustee in the geographical area. If the Auditor does not meet this requirement, the firm cannot perform the work.