

Best Practices that Simplify Interim Reporting

One of the most time consuming and stressful processes in administering chapter 7 bankruptcies is preparing interim reports. We have assembled ten best practices that you can employ to simplify the interim reporting process.

1. Start interim report process 60 days before the report is due. This will give you 30 days from your end reporting date to find and fix errors.
2. Reconcile your bank account every month. If done regularly this process should only take about 15 minutes. Doing this will aid your office in locating unresolved banking issues as they occur.
3. Assign transaction codes as you import assets and manually enter unscheduled assets. This will help you verify that scheduled and unscheduled receipt transactions are coded correctly.
4. Verify a claims bar date for all open asset cases.
5. Verify that all asset cases have a tax identification number (TIN) assigned.
6. File a Report of No Distribution (NDR) within 60 days of the 341 meeting.
7. Stop stale dated checks that have not cleared the bank within 90 days of issuance. This will give you time to deal with unclaimed dividends and complete the Trustee's Final Account (TDR) within 125 days of the Trustee's Final Report (TFR).
8. Generate Form 3 with major activities each quarter. Pay special attention to all cases that do not have a date in column 7 and be sure to add major activity notes for open asset cases.
9. Make sure major activities are updated and reflect case status accurately. Major activities:
 - a. Reason why an asset will be abandoned along with an asset description
 - b. Status of liquidation efforts (e.g., pending sales, hearing or action dates)
 - c. Status of adversary actions and appeals
 - d. Status of claims objections/claims review and tax return
 - e. Any other action necessary to complete administration of the case
10. Ask your UST for their specific requirements. Every district operates a little differently so it is important to have a clear understanding of the UST's reporting and filing requirements.

The Golden Rule

Take your time because garbage in = garbage out! It is hard to not rush through tasks when there is so much to do, but your interim report will only be as good as the data you have in the system. So take your time and get it right the first time.

If you are a TrusteSolutions customer we can design custom reports that will help you flag pivotal data issues well in advance of the interim report due date. We can also set up notifications that will help you stay on track. Please call (866) 878-7831 or email support@trustesolutions.com.