



UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D.C. 20548

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JAN 21 1974

GENERAL GOVERNMENT  
DIVISION

The Honorable Rowland F. Kirks  
Director, Administrative Office  
of the United States Courts  
U.S. Supreme Court Building  
1 First Street, N.E.  
Washington, D.C. 20544



AGC00439

Dear Mr. Kirks:

We have completed our review of the Bankruptcy Division. As you know, the Commission on Bankruptcy Laws of the United States issued a comprehensive report in October 1973. Since this report generally includes the matters covered during our review, we do not intend to issue our report.

We would like to draw your attention, however, to one area which is not covered in the Commission's report--the need for more meaningful cost and revenue data.

The Bankruptcy Division of the Administrative Office accumulates data on referees' service fees, salaries, and expenses. The division does not, however, compile this revenue and cost data by referee office or by type of proceeding--bankrupt estates, corporate reorganizations, wage earners' plans, and arrangements. This system does not allow for analyses of costs or revenues by office to measure the effectiveness of each referee's operations.

Proper accounting and reporting should provide for comparing referee offices' expenses and revenues with their workloads. We believe that such comparisons would highlight differences between referees' offices, which the Administrative Office could analyze for improvement. We have discussed this matter with officials of the Bankruptcy Division.

We thank you and your staff for the courtesies extended us during the course of our review.

Sincerely yours,

Daniel F. Stanton

cc: Mr. Lowe (GGD)  
Mr. Neuwirth (GGD)

Daniel F. Stanton  
Assistant Director

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