



**U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing**

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<b>Special Attention of:</b>	<b>Notice</b>	PIH 2009-34 (HA)
Public Housing Agencies	Issued:	September 8, 2009
Public Housing Hub Office Directors	Expires:	September 30, 2010
Public Housing Program Center Directors		
Regional Directors		
Field Office Directors		
Resident Management Corporations		
Independent Auditors	Cross Reference:	

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**Subject: Supplemental Asset Management Financial Reporting Information – Transition Year 1**

**1. Purpose**

This notice provides certain information related to the submission of audits and financial statements for public housing agencies (PHAs) for PHA fiscal years ending June 30, 2008, September 30, 2008, December 31, 2008, and March 31, 2009. The information contained in this notice supplements the instructions provided in a prior Federal Register notice, published August 21, 2008, Public Housing Assessment System (PHAS): Asset Management Transition Year Information and Uniform Financial Reporting Standards (UFRS) Information (FR-5227-N-01).

This notice provides information related to the current Uniform Financial Reporting Standards (UFRS) under 24 CFR part 5, subpart H, and the Public Housing Assessment System (PHAS) under 24 CFR part 902, subpart C, for PHAs with fiscal years ending June 30, 2008, September 30, 2008, December 31, 2008, and March 31, 2009. This notice informs PHAs that HUD will accept, without penalty, unaudited financial statements and audited financial statements submitted beyond the respective 2- and 9-month regulatory deadlines.

**2. Background**

In the previously mentioned Federal Register notice, HUD extended the submission date for unaudited financial statements to HUD (via the Financial Assessment Subsystem for Public Housing, or FASS-PH) during the first year of transition to asset management. This action was done to allow HUD additional time to modify its systems and to permit PHAs more time to prepare those financial statements pursuant to asset management (24 CFR part 990).

This notice extends the period during which HUD will accept, without penalty, unaudited financial condition information and also audited financial condition information under the UFRS.

While HUD cannot extend the deadline for submission of independent audits to the Federal Audit Clearinghouse, this notice provides guidance in meeting those deadlines.

This notice similarly treats unaudited financial condition information and extends the deadline for submission of audited financial condition information related to the current PHAS.

### **3. Financial Condition Information Submission**

- A. **Unaudited Financial Information Submission.** For low-rent, low-rent combined (low-rent and section 8 units), and section 8 only PHAs with fiscal years ending June 30, 2008, through March 31, 2009, HUD will accept these reports within the timeframe as follows: these PHAs will have until the later of 3 months from the release of the software for the Financial Data Schedule (FDS) under asset management or 3 months from the end of their fiscal year to submit their unaudited financial condition information. The release of the unaudited financial information software for the FDS under asset management occurred January 12, 2009.
- B. **Audited Financial Information Submission.** For low-rent, low-rent combined (low-rent and section 8 units), and section 8 only PHAs with fiscal years ending June 30, 2008, through March 31, 2009, HUD will accept these reports within 12 months of the end of their fiscal year.
- C. **Submission of Independent Audits.** Although HUD is accepting audited financial information to FASS-PH after the regulatory deadline, HUD cannot extend the 9-month statutory deadline for the separate submission of independent audits to the Federal Audit Clearinghouse. The independent audits that are submitted to the Federal Audit Clearinghouse include a copy of the FDS supplemental schedule. Normally, PHAs first complete the electronic submission to FASS-PH, attesting that the FDS matches the financial reports in the audit, and then submit the audit to the Federal Audit Clearinghouse. PHAs are able to access the functionality to allow the submission of the audited financial information in the FASS-PH system, along with the attestation procedures, after April 27, 2009. Accordingly, PHAs that have completed their audits may utilize the FDS tool posted at:

<http://www.hud.gov/offices/reac/products/fass/audited.cfm>

to prepare their audited financial information and should attach a copy of that worksheet to their audit, thereby complying with the required “in relation to” reporting requirements of the Statement on Auditing Standards (SAS) No. 29, *Reporting on Information Accompanying the Basic Financial Statements in Auditor-Submitted Documents*. The PHA auditor can perform the necessary audit procedures using the FDS worksheet to issue the SAS 29 opinion on the FDS. PHAs will still need to submit their electronic audit submission to HUD and have the required agreed-upon-procedures engagement performed. Further information on the FASS-PH audited system and on the SAS 29 Audit procedure can be found at:

<http://www.hud.gov/offices/reac/products/prodpha.cfm>.

- D. **Public Housing Assessment System (PHAS).** This notice provides that HUD will accept these reports within the timeframes listed under Items A and B, above.
- E. **Submissions Schedule.** Please refer to the schedule, below, for the submission of financial information statements for Transition Year 1.

<b>Transition Year 1 – Submission Schedule for Unaudited and Audited Financial Statements</b>		
<b>Fiscal Year End</b>	<b>Unaudited Statements Due</b>	<b>Audited Statements Due</b>
06/30/2008	04/13/2009	06/30/2009
09/30/2008	04/13/2009	09/30/2009
12/31/2008	04/13/2009	12/31/2009
03/31/2009	06/30/2009	03/31/2010

#### **4. Paperwork Reduction Act**

The information collection requirements contained in this document are approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 2501-3520). The OMB control number is 2535-0107 (expires 09/30/2011). In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

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/s/  
Sandra B. Henriquez, Assistant Secretary for  
Public and Indian Housing