

REVISED SAS 29 AUDITED SUBMISSION PROCEDURE FOR PUBLIC HOUSING AGENCIES (PHAs) WITH FISCAL YEAR END OF JUNE 30, 2008.

The Department is continuing to update the FASS-PH electronic submission templates to be compliant with asset management. As a result, PHAs, including Section 8 only PHAs, will not be able to electronically submit their fiscal year ended June 30, 2008, audited financial information to the Department by March 31, 2009. Once the FASS-PH system is updated and able to accept electronic submissions, the Department will post another notice to its Web site notifying PHAs.

Further, the Department is currently finalizing the development of an Excel tool version of the financial data schedule (FDS) (hereinafter referred to as the FDS) and will make it available to PHAs in late December 2008. The new FDS will include the ability to add numerous Low Rent projects and will include the new line items resulting from implementation of asset management. The FDS will be posted on the FASS-PH webpage as soon as it is finalized at:

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

The financial statement audits for some PHAs with a fiscal year ended as of June 30, 2008, have already been completed or are near completion at this time. The Department is providing the information below for complying with the required SAS No. 29, *Reporting on Information Accompanying the Basic Financial Statements in Auditor-Submitted Documents*, “in relation to” reporting (SAS 29 opinion) on the FDS since it will not be available until late December. This posting provides two options for PHAs to consider in ensuring compliance with the HUD SAS 29 reporting requirements on the FDS.

Option 1. For PHAs that may need to issue their audited financial statements for purposes other than for filing with HUD prior to the availability of the FDS (for example, to meet state statutory filing deadlines or for other normal business purposes), they may do so but should not submit those financial statements to HUD at this time. When the FDS is available, PHAs will need to complete it. At that time, the PHA auditor will need to perform necessary audit procedures in order to issue a separate SAS 29 opinion on the FDS. Consequently, the separate auditor’s opinion on the FDS may carry a later date than that of the auditor’s report on the basic financial statements.

Option 2. For situations where there is no need for the financial statements to be issued in advance of the FDS being available, the PHA auditor may issue their opinions on the financial statements and FDS at the same time; thereby having the same report date. At that time, once the auditor has performed the necessary audit procedures, the auditor would issue their opinion on the audited financial statements, including the SAS 29 opinion.

Depending on when the audit of the basic financial statements is completed, the auditor may need to perform additional subsequent event procedures through the date of the separate SAS

29 opinion (which may be as of a later date than the date of the report on the basic financial statements).

The AICPA has indicated that they will post on the AICPA's Governmental Audit Quality Center, HUD Information Web Page, an illustrative report example for those PHAs that decide to take Option 1, as well as more general guidance to auditors about their subsequent events responsibilities in both of the options described above.