



OFFICE OF INSPECTOR GENERAL
U.S. Department of Housing and Urban Development

March 31, 2022

**MEMORANDUM NO:
2022-DP-0002-CM**

Memorandum

TO: Susan Betts
Deputy Assistant Secretary for Finance and Budget, HW

FROM: *//signed//*
Kilah S. White
Assistant Inspector General for Audit, GA

SUBJECT: Audit Closeout: Review of FHA Information System Controls in Support of the Fiscal Year 2020 Financial Statements Audit

This memorandum is to inform you of our decision to close the audit of FHA information system controls in support of the fiscal year 2020 financial statements audit.

We initiated the audit of general and application controls over HUD's FHA computing environment on May 27, 2020, as part of the internal control assessments required for the fiscal year 2020 financial statement audit under the Chief Financial Officer's Act of 1990. Our audit objective was to review the effectiveness of selected general and application controls over the FHA Subsidiary Ledger (FHASL) system in HUD's computing environment for compliance with HUD information technology policies, Federal information system security and financial management requirements. The audit period was October 1, 2019, through September 30, 2020.

Due to unforeseen delays and unexpected timing issues, the audit work has ended, and we will not issue a formal audit report. Therefore, we have not made any formal recommendations that require follow-up in the Audit Resolution and Corrective Action Tracking System.

Additionally, the financial statement audit has been contracted out since fiscal year 2021 and any future coverage of this area will be performed by the contractor.

If you have any questions, please contact Dorothy Bagley, Audit Director, at (202) 402-8139 or (202) 744-3458.