



Appendices

**Supplemental Information:
Unaudited Consolidating Financial Statements
Restated to Comply With
Federal Accounting Standards Board Statement No. 2
Systems Not In Compliance With the
Federal Managers' Financial Integrity Act**

UNAUDITED SUPPLEMENTAL INFORMATION

Department of Housing and Urban Development Consolidating Statement of Financial Position Restated to Comply With SFFAS No. 2 As of September 30, 1997

| Dollars in Millions | Federal Housing Administration | All Other HUD Programs | Consolidated |
|--|-----------------------------------|---------------------------|------------------|
| ASSETS | | | |
| Entity Assets: | | | |
| Intragovernmental Assets: | | | |
| Fund Balance with U. S. Treasury | | | |
| Non-interest bearing | \$ 3,423 | \$71,864 | \$ 75,287 |
| Interest bearing | 759 | 0 | 759 |
| Total Fund Balance with U.S. Treasury | 4,182 | 71,864 | 76,046 |
| Investments | 13,220 | 5,550 | 18,770 |
| Other Intragovernmental Assets | 193 | 83 | 276 |
| Governmental Assets: | | | |
| Credit Reform Receivables and Related Foreclosed Property (Note 2) | 2,656 | | 2,656 |
| Foreclosed Property Held for Sale, Net | 0 | 5 | 5 |
| Mortgage Notes and Loans Receivable, Net | 0 | 8,671 | 8,671 |
| Other Governmental Assets | 512 | 931 | 1,443 |
| Total Entity Assets | \$20,763 | \$87,104 | \$107,867 |
| Non-Entity Assets | | | |
| Intragovernmental Assets: | | | |
| Fund Balance with U. S. Treasury | | \$ 81 | \$ 81 |
| Governmental Assets: | | | |
| Other Non-Entity Assets | \$ 72 | 438 | 510 |
| Total Non-Entity Assets | \$ 72 | \$ 519 | \$ 591 |
| TOTAL ASSETS | \$20,835 | \$87,623 | \$108,458 |
| LIABILITIES AND NET POSITION | | | |
| Liabilities Covered by Budgetary Resources: | | | |
| Intragovernmental Liabilities: | | | |
| Accounts Payable and Accrued Expenses | \$ 3 | \$ 873 | \$ 876 |
| Borrowings | 0 | 36 | 36 |
| Other Intragovernmental Liabilities | 11 | 184 | 195 |
| Net Payable for Credit Reform Reestimates | 715 | | 715 |
| Governmental Liabilities: | | | |
| Accounts Payable and Accrued Expenses | 366 | 436 | 802 |
| Distributive Shares and Premium Refunds Payable | 180 | 0 | 180 |
| Claims Payable | 388 | 0 | 388 |
| Loss Reserves | 0 | 508 | 508 |
| Liability for Loan Guarantees | 5,909 | 0 | 5,909 |
| Unearned Premiums | 1,406 | 0 | 1,406 |
| Debentures Issued to Claimants | 68 | 0 | 68 |
| Other Governmental Liabilities | 0 | 102 | 102 |
| Total Liabilities Covered by Budgetary Resources: | \$ 9,046 | \$ 2,139 | \$ 11,185 |
| Liabilities Not Covered by Budgetary Resources | | | |
| Intragovernmental Liabilities: | | | |
| Borrowings | \$ 3,639 | \$ 7,735 | \$ 11,374 |
| Governmental Liabilities: | | | |
| Accounts Payable and Accrued Expenses | 0 | 139 | 139 |
| Borrowings | 0 | 3,586 | 3,586 |
| Total Liabilities Not Covered by Budgetary Resources | \$ 3,639 | \$11,460 | \$ 15,099 |
| TOTAL LIABILITIES | \$12,685 | \$13,599 | \$ 26,284 |
| Commitments and Contingencies | | | |
| NET POSITION | | | |
| Invested Capital | \$ 0 | \$ 15 | \$ 15 |
| Unexpended Appropriations Held for Commitments | 0 | 70,265 | 70,265 |
| Cumulative Results of Operations | 8,150 | 5,900 | 14,050 |
| Future Funding Commitments | 0 | (6,092) | (6,092) |
| Appropriated Capital | 0 | 3,936 | 3,936 |
| Total Net Position | \$ 8,150 | \$74,024 | \$ 82,174 |
| TOTAL LIABILITIES AND NET POSITION | \$20,835 | \$87,623 | \$108,458 |

The accompanying notes are an integral part of these unaudited financial statements.

APPENDICES

Department of Housing and Urban Development Consolidating Statement of Operations and Net Position, Restated to Comply With SFFAS No. 2 For the Year Ended September 30, 1997

| Dollars in Millions | Federal Housing Administration | All Other HUD Programs | Consolidated |
|---|-----------------------------------|---------------------------|-----------------|
| REVENUES AND FINANCING SOURCES: | | | |
| Operating Revenues: | | | |
| FHA Premiums | \$ 225 | | \$ 225 |
| GNMA Mortgage Backed-Securities Program Income | 0 | \$ 354 | 354 |
| Interest and Penalties, Non Federal | 104 | 718 | 822 |
| Interest, Federal | 1,246 | 328 | 1,574 |
| Other | 50 | 72 | 122 |
| Financing Sources: | | | |
| Appropriated Capital Used | 896 | 31,588 | 32,484 |
| Imputed Financing Sources | | 11 | 11 |
| Total Revenues and Financing Sources | \$ 2,521 | \$33,071 | \$35,592 |
| EXPENSES: | | | |
| Section 8 Subsidies | | \$15,257 | \$15,257 |
| Community Development Block Grants | | 4,491 | 4,491 |
| Operating Subsidies | | 2,812 | 2,812 |
| Low Rent Public Housing Grants | | 3,918 | 3,918 |
| HOME | | 1,211 | 1,211 |
| Other Subsidies, Grants and Loans | | 3,123 | 3,123 |
| Mortgage-Backed Securities Program Expenses | | 30 | 30 |
| Subsidy Expenses | \$(1,989) | | (1,989) |
| Provision for Loan Guarantee Liability | (262) | | (262) |
| Provision for Losses on Properties Held for Sale | 972 | | 972 |
| Provision for Losses on Mortgage Notes Held For Sale | 153 | 153 | 306 |
| Loss (Gain) on Mortgage Notes Held for Sale | (92) | | (92) |
| Interest | | | |
| Non Federal | 5 | 0 | 5 |
| Federal | 476 | 674 | 1,150 |
| Salaries and Administration | 641 | 506 | 1,147 |
| Other | 63 | 51 | 114 |
| Total Expenses | \$ (33) | \$32,226 | \$32,193 |
| Excess (Deficiency) of Revenues and Financing Sources Over Expenses | \$ 2,554 | \$845 | \$3,399 |
| Net Position, Beginning of Year, As Previously Stated | \$(3,843) | \$86,271 | \$82,428 |
| Prior Period Adjustment (Note 1) | 9,440 | 0 | 9,440 |
| Net Position, Beginning of Year, As Restated | 5,597 | 86,271 | 91,868 |
| Distributive Shares Paid | (1) | | (1) |
| Excess (Deficiency) of Revenues and Financing Sources Over Expenses | 2,554 | 845 | 3,399 |
| Net Appropriated Capital Used and Other Transactions Affecting Net Position | | (13,092) | (13,092) |
| Net Position, End of Year | \$ 8,150 | \$74,024 | \$82,174 |

The accompanying notes are an integral part of these unaudited financial statements.

Note 1: Basis and Nature of Information

The Federal Housing Administration (FHA) is a Government corporation and utilizes commercial generally accepted accounting principles (GAAP) in the preparation of its financial statements. Commercial GAAP includes accounting principles issued by the Accounting Principles Board and the Financial Accounting Standards Board of the American Institute of Certified Public Accountants. However, as it is also a component of the U.S. Department of Housing and Urban Development (HUD), FHA is required to use Federal GAAP when reporting its financial information in HUD's consolidated financial statements. Federal GAAP differs from commercial GAAP in that it includes accounting principles promulgated by the Federal Accounting Standards Advisory Board (FASAB), and the hierarchy of accounting principles described in OMB Bulletin 97-01.

The audited consolidated financial statements included in this Accountability report do not include the effects of complying with Statement of Federal Financial Accounting Standards Number 2 (SFFAS Number 2), Direct Loans and Loan Guarantees. The loan and guarantee programs of FHA are the only programs within HUD which are materially affected (as of September 30, 1997) by this standard. The purpose of this unaudited supplementary information is to show the estimated effects on the consolidated financial statements of restating FHA's financial statements to comply with that standard. These footnotes only discuss the effect of SFFAS Number 2 on the FHA loan and guarantee programs and the presentation of this information in the consolidated financial statements.

The following discusses key differences between commercial and Federal GAAP as they apply to FHA:

A. Valuation Differences

Valuation differences exist between commercial and Federal GAAP. For FHA, the most material differences involve the valuation of credit program assets and liabilities and the valuation of the components of net position (called "government equity" under commercial GAAP). A discussion of these differences is presented below.

Credit Program Assets and Liabilities

Under commercial GAAP, loans receivable and foreclosed property related to credit programs are valued at their net realizable value. This is the same treatment as provided under Federal GAAP for assets related to direct loans or loan guarantees obligated in the budget prior to October 1, 1991, the period of time referred to as "pre-credit reform." The nomenclature of "credit reform" comes from the "Credit Reform Act of 1990" (PL. 101-508). Under Federal GAAP, such assets related to direct loans or loan guarantees obligated in the budget after September 30, 1991, – "credit reform," or "post credit reform" assets – are valued at the present value of their estimated cash flows. While commercial GAAP would provide for an "allowance for uncollectibles" to be subtracted from the assets to yield their net realizable value, Federal GAAP would provide for an "allowance for subsidy" to be subtracted to yield their net present value. The nature of the cash inflows and outflows related to the assets include collections of principal and interest and most of the items discussed for loan guarantees, which are discussed in the next paragraph. Interest rates used to determine the allowance for subsidy are based on the rates for certain U.S. Treasury securities of a time period or periods comparable to the length of the direct or, for loan guarantee programs, guaranteed loans.

APPENDICES

Under commercial GAAP, FHA estimates losses resulting from defaults on cases insured as of the balance sheet date, based on past experience and a forecast of economic conditions. This is reported in the audited consolidated financial statements as loss reserves. Under Federal GAAP, the liability for pre-credit reform loan guarantees is computed in the same manner. However, the valuation of the liability for post-credit reform loan guarantees is computed as the present value of cash flows related to the guarantees. Cash inflows include application fees, fees for guaranteeing loans, proceeds from the sale of assets (foreclosed property, loans assumed for direct collection), and receipts from interim use of property to be sold (such as from renting foreclosed property prior to sale). Cash outflows include default payments and payments made to generate receipts (such as maintenance costs incurred for foreclosed property prior to sale). Interest rates used to discount the cash flows are based on the same factors as discussed for direct loan programs in the preceding paragraph.

The valuation of related income and expense for post-credit reform direct loans or loan guarantees is different under Federal GAAP than under commercial GAAP. Under Federal GAAP, the only post-credit reform revenues are interest and appropriations used. The only post-credit reform expenses are administrative, subsidy, and interest expense. Other cash inflows increase the allowance for subsidy or the loan guarantee liability, and other cash outflows decrease them. Under commercial GAAP, these net cash inflows generally involve items reported as revenues, gains and losses, and the cash outflows as expenses.

Additionally, as discussed in the following paragraphs regarding valuing net position (government equity), appropriations used are not recognized under commercial GAAP. Under Federal GAAP, appropriations FHA used to acquire or provide goods or services are reported as a financing source.

Net Position

Under commercial GAAP, three line items were shown in the Net Position section of the FHA's balance sheet:

- a) Cumulative results of operations for the Mutual Mortgage Insurance (MMI) and Cooperative Management Housing Insurance (CMHI) Funds. By law, these funds are intended to be self-sustaining.
- b) Cumulative results of operations for the General Insurance (GI) and Special Risk Insurance (SRI) Funds, exclusive of appropriations used. These funds are not self-sustaining and depend upon appropriations to supplement other revenues to meet expenses.
- c) "Appropriated Capital," which is the cumulative amount of appropriations received by primarily the GI and SRI Funds (a relatively small amount of appropriations were provided to MMI in the past to fund startup operations and occasional special activities). Commercial GAAP treats net appropriations received as contributed capital, and, accordingly, does not amortize them to cumulative results of operations.

Under Federal GAAP, only two line items are shown, "Cumulative Results of Operations" and Unexpended Appropriations. Cumulative Results of Operations includes the amount of appropriations used to finance the acquisition or provision of goods and services, which are reported on the operating statement. The resulting amortization reduces Unexpended Appropriations (called "Appropriated Capital" under commercial GAAP) and increases Cumulative Results of Operations of the fund(s) involved.

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Appropriations were received only by the unsubsidized funds in fiscal 1997. Since budgetary obligations in the unsubsidized funds exceed appropriations received, all appropriations are considered used in the year received. This is in accordance with present recommendations under favorable consideration by FASAB to treat appropriations as used first in entities funded with multiple resource types, at least one of which is an appropriation. Undelivered orders for goods and services to be acquired or provided by FHA amounted to \$219 million at September 30, 1997.

B. Classification of Liabilities

Pursuant to Federal GAAP, liabilities are classified as either covered, or not covered by budgetary resources. The only liabilities not covered by such resources at the balance sheet date are the borrowings from the U.S. Treasury. The major source of repayment for these borrowings will be cash flow from operations.

C. Prior Period Adjustment

The prior period adjustment is to adjust the beginning balance of the liability for loan guarantee from the gross value of the future expected payments to the present value of the cash flows associated with the guarantees in accordance with the Credit Reform Act of 1990, as amended (see Note 1).

Note 2: Direct Loans and Loan Guarantees, Non-Federal Borrowers

A. Direct Loan and Loan Guarantee Programs Operated

FHA operates the following loan and loan guarantee programs:

- (1) Mutual: MMI and CMHI
- (2) Subsidized: GI and SRI

Direct loan obligations and loan guarantee commitments made prior to fiscal 1992, and the resulting direct loans or loan guarantees are reported net of allowance for estimated uncollectable loans or estimated losses.

Direct loan obligations or loan guarantee commitments made after fiscal 1991, and the resulting direct loans or loan guarantees are governed by the Federal Credit Reform Act of 1990, as amended. The Act provides that the present value of the subsidy costs (i.e. interest rate differential, interest subsidies, estimated delinquencies and defaults, fee offsets, and other cash flows) associated with direct loans and loan guarantees be recognized as a cost in the year the direct or guaranteed loan is obligated in the budget. An analysis of loans receivable, loan guarantees, liability for loan guarantees, and the nature and amounts of the subsidy and administrative costs associated with the loans and loan guarantees are provided in the following sections. In some cases, expenses and liabilities are negative because the present value of cash inflow is greater than the present value of the related cash outflows.

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B. Direct Loans Obligated Prior to FY 1992 (Allowance for Loss Method) (Dollars in thousands):

| Direct Loan Programs | Loans Receivable, Gross | Interest Receivable | Allowance for Loan Losses | Foreclosed Property | Value of Assets Related to Direct Loans |
|-------------------------|-------------------------------|------------------------|------------------------------|------------------------|---|
| (1) Mutual (MMI/CMHI) | \$ 5,106 | \$ 2,905 | \$ (4,331) | \$ – | \$ 3,680 |
| (2) Subsidized (GI/SRI) | 84,715 | 9,606 | (70,232) | – | 24,089 |
| Total | \$89,821 | \$12,511 | \$(74,563) | \$ – | \$27,769 |

C. Direct Loans Obligated After FY 1991 (Dollars in thousands):

| Direct Loan Programs | Loans Receivable, Gross | Interest Receivable | Foreclosed Property | Allowance for Subsidy Cost (Present Value) | Value of Assets Related to Direct Loans |
|-------------------------|-------------------------------|------------------------|------------------------|--|---|
| (1) Mutual (MMI/CMHI) | \$3,755 | \$69 | \$ – | \$(398) | \$3,426 |
| (2) Subsidized (GI/SRI) | 436 | 8 | – | (10) | 434 |
| Total | \$4,191 | \$77 | \$ – | \$(408) | \$3,860 |

D. Defaulted Guaranteed Loans from Pre-1992 Guarantees (Allowance for Loss Method) (Dollars in thousands):

| Loan Guarantee Programs | Defaulted Guaranteed Loans Receivable, Gross | Interest Receivable | Allowance for Loan Losses | Forclosed Property, Net | Defaulted Guaranteed Loans Receivable, Net |
|-------------------------|---|------------------------|------------------------------|----------------------------|---|
| (1) Mutual (MMI/CMHI) | \$ 291,220 | \$275,905 | \$ (332,871) | \$575,832 | \$ 810,086 |
| (2) Subsidized (GI/SRI) | 2,405,516 | 427,108 | (2,206,377) | 114,951 | 741,198 |
| Total | \$2,696,736 | \$703,013 | \$(2,539,248) | \$690,783 | \$1,551,284 |

E. Defaulted Guaranteed Loans from Post-1991 Guarantees (Dollars in thousands):

| Loan Gurantee Programs | Defaulted Guaranteed Loans Receivable, Gross | Interest Receivable | Foreclosed Property, Gross | Allowance for Subsidy Cost (Present Value) | Value of Assets Related to Defaulted Guaranteed Loans Receivable |
|-------------------------|---|------------------------|-------------------------------|--|--|
| (1) Mutual (MMI/CMHI) | \$284,940 | \$41,390 | \$1,117,613 | \$(520,535) | \$ 923,408 |
| (2) Subsidized (GI/SRI) | 213,534 | 25,301 | 198,001 | (287,112) | 149,724 |
| Total | \$498,474 | \$66,691 | \$1,315,614 | \$(807,647) | \$1,073,132 |

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F. Guaranteed Loans Outstanding (Dollars in thousands):

| Loan Guarantee Programs | Outstanding Principal, Guaranteed Loans, Face Value | Amount of Outstanding Principal Guaranteed |
|-------------------------|---|--|
| (1) Mutual (MMI/CMHI) | \$ 360,536,000 | \$360,536,000 |
| 2) Subsidized (GI/SRI) | 93,065,000 | 93,065,000 |
| Total | \$453,601,000 | \$453,601,000 |

G. Liability for Loan Guarantees (Estimated Future Default Claims Method) (Dollars in thousands):

| Loan Guarantee Programs | Liabilities for Losses on Pre-1992 Guarantees, Estimated Future Default Claims | Liabilities for Loan Guarantees for Post-1991 Guarantees (Present Value) | Total Liabilities for Loan Guarantees |
|-------------------------|---|---|--|
| (1) Mutual (MMI/CMHI) | \$1,030,340 | \$(1,962,584) | \$ (932,244) |
| (2) Subsidized (GI/SRI) | 6,809,990 | 31,448 | 6,841,438 |
| Total | \$7,840,330 | \$(1,931,136) | \$5,909,194 |

H. Subsidy Expense for Post-1991 Loans:

There is no subsidy expense for FHA's direct loans under Credit Reform because the program is self-sustaining.

I. Subsidy Expense for Post-1991 Loan Guarantees (Dollars in thousands):

Current Year's Loan Guarantees

| Loan Guarantee Programs | Defaults | Fees | Interest Supplements | Other Cash Flows | Total |
|-------------------------|--------------------|----------------------|-------------------------|---------------------|----------------------|
| (1) Mutual (MMI/CMHI) | \$ 859,093 | \$(3,188,959) | \$ – | \$587,647 | \$(1,742,219) |
| (2) Subsidized (GI/SRI) | 626,024 | (600,795) | – | – | 25,229 |
| Total | \$1,485,117 | \$(3,789,754) | \$ – | \$587,647 | \$(1,716,990) |

Note: All subsidy expense for the MMI/CMHI funds are from negative subsidy program. However, subsidy expense for the GI/SRI funds is comprised of \$169.3 million for positive subsidy and \$144.1 million for negative subsidy.

APPENDICES

Loan Guarantee Modifications and Reestimates

| Loan Guarantee Programs | Modifications | Re-estimates | | Total |
|-------------------------|--------------------|--------------------|--------------------|-------------------|
| | | Positive | Negative | |
| (1) Mutual (MMI/CMHI) | \$(449,641) | \$ 601,762 | \$(352,567) | \$249,195 |
| (2) Subsidized (GI/SRI) | (384,430) | 406,417 | (93,995) | 312,422 |
| Total | \$(834,071) | \$1,008,179 | \$(446,562) | \$ 561,617 |

Total Loan Guarantee Subsidy Expense

| Loan Guarantee Programs | |
|-------------------------|----------------------|
| (1) Mutual (MMI/CMHI) | \$(1,942,665) |
| (2) Subsidized (GI/SRI) | (46,779) |
| Total | \$(1,989,444) |

J. Administrative Expenses (Dollars in thousands):

| Loan Guarantee Programs | For Pre-1992 Guarantees | For Post-1991 Guarantees | Total Administrative Expense |
|-------------------------|----------------------------|-----------------------------|---------------------------------|
| (1) Mutual (MMI/CMHI) | \$47,000 | \$350,595 | \$397,595 |
| (2) Subsidized (GI/SRI) | 36,315 | 207,470 | 243,785 |
| Total | \$83,315 | \$558,065 | \$641,380 |

SYSTEMS NOT IN COMPLIANCE

Systems Not in Compliance with The Federal Managers' Financial Integrity Act (FMFIA)

The following HUD Financial Management Systems are not in compliance with the Federal Managers' Financial Integrity Act. The list is based upon a self-assessment conducted by HUD's systems managers. The Office of the Chief Financial Officer, as part of its management oversight responsibility, will conduct follow-up reviews of critical systems to ensure compliance with the requirements in OMB Circular A-127 and with FMFIA.

| System Number | System Name | Acronym | On FY 96 List | Deleted | Added | On FY 97 List |
|---------------|---|------------|---------------|---------|-------|---------------|
| A10 | Insurance In Force Premium Liq. & Control | IIF | X | 1 | | |
| A12 | Treasury Reporting System | TRS | X | 1 | | |
| A13 | OPC Management Information System & MIS/PC | OPC MIS | X | 3 | | |
| A16 | SF-224 Transaction Reconciliation System | TRAS | X | | | X |
| A21 | Loan Accounting System | LAS | X | 3 | | |
| A31 | Single Family Premium Collection | SEC 530 | X | | | X |
| A43 | Single Family Insurance System | SFMIS | X | | | X |
| A43C | Single Family Insurance Claims Subsystem | CLAIMS | X | | | X |
| A44D | Low Rent Housing Security Ledger | SEC LEDGER | X | 3 | | |
| A49 | National Credit Bureau Referral | NCBR | X | 3 | | |
| A56 | Mortgage Insurance General Accounting | FHA-GL | X | | | X |
| A63 | Furniture and Equipment Management Information | FEMIS | X | | | X |
| A65 | Section 235 Accounting System | SHAS | X | | | X |
| A65A | Section 235 Automated Validation and Editing | SAVE | X | | | X |
| A76 | Funds Accounting and Status Tracking | FAST | X | | | X |
| A77 | Flexible Subsidy System | FLEXSUB | X | | | X |
| A80D | Distributive Shares and Refund Subsystem | DSRS | X | | | X |
| A80G | Multifamily Mortgage Auction System | MMAS | X | | | X |
| A80N | Single Family Mortgage Notes Servicing | SFMNS/IFS | X | | | X |
| A80Q | Public Inquiry Communication Subsystem | PICS | X | 2 | | |
| A80R | Single Family Prem Collection System | PCS | X | 3 | | |
| A80S | Single Family Acquired Asset Management | SFAAM | X | | | X |
| A80Y | Hospital Mortg Insurance Mgt Information System | HMIMIS | | | 4 | X |
| A83 | One-Time Mortgage Insurance Premiums | OTMIP | X | 1 | | |
| A91 | Consolidated Cost and FTE Files (CAFF) | CAFF | X | 3 | | |
| ATLAS | Advanced Technology Ledger Accounting System | ATLAS | X | | | X |
| B01 | Issuer Management System (IMS) | IMS | X | 3 | | |
| B02 | Issuer Profile Analysis Database (IPADS) | IPADS | X | 3 | | |
| B07 | Commitment Line System (CLS) | CLS | X | 3 | | |
| B09 | Default Management System (DMS) | DMS | X | 3 | | |
| B11 | Pool Transfer System (PTS) | PTS | X | 3 | | |
| B13 | Subservicer Reporting System | SRS | X | 1 | | |
| B15 | Check Record Issuance System (CHRIS) | CHRIS | X | 3 | | |
| B16 | Macola Accounting Software System (MASS) | MASS | X | 3 | | |
| C02 | Youthbuild | YOUTHBUILD | X | 3 | | |
| C04 | Integrated Disbursement & Information System | IDIS | X | 3 | | |
| C24 | Field Office Reporting & Management /CPD | FORMS/CPD | X | 1 | | |
| C38 | Homeless Assistance Management Information System | HAMIS | X | 3 | | |
| C39 | Empowerment Zones & Enterprise Communities | EC/EC | X | 3 | | |
| C46 | CDBG Activities Reporting System | CDBG-GPRS | X | 1 | | |
| C47 | HOME Investment Partnership Act (HOME) | HOME | X | 3 | | |

APPENDICES

| System Number | System Name | Acronym | On FY 96 List | Deleted | Added | On FY 97 List |
|---------------|--|------------|---------------|---------|-------|---------------|
| C48 | Hope for Ownership of Single Family Homes | HOPE3 | X | 3 | | |
| C49 | CPD Information management System | CIMS | X | 1 | | |
| C50 | Demographic, Eligibility, Allocation & Planning System | DEAPS | X | 1 | | |
| CPADS | Correspondence Portfolio Analysis Data System | CPADS | X | 3 | | |
| D08 | Bond Payment | BONDMAPPER | X | 3 | | |
| D09 | Tracking Advanced Procurement Plans System | TAPPS | X | 3 | | |
| D17 | Project and Resource Management System | PARMS | X | | | X |
| D21 | Departmental Accounts Receivable / Collection | DARTS | X | 3 | | |
| D38 | Procurement Request Information System | PRISM | X | 3 | | |
| D64A | SF Housing Enterprise Data Warehouse | HEDW | | | 4 | X |
| E11 | Funding and Contracting Tracking System | FACTS | X | | | X |
| E20 | Grants Evaluation Management System | GEMS | X | 3 | | |
| F05 | Section 8 Management Information System | SEC8MIS | X | | | X |
| F07 | Computerized Underwriting Processing System | CUPS | X | | | X |
| F08 | Average Area Purchase Prices System | AAPS | X | 1 | | |
| F12 | Home Equity Conversion Mortgages | HECM | X | | | X |
| F17 | Computerized Home Underwriting Management System | CHUMS | X | | | X |
| F22 | Single Family Insurance Distributer System | SFIDS | X | 1 | | |
| F29 | Public Housing Fiscal Data Survey | PHFDS | X | 1 | | |
| F31 | Cash, Control, Acctg, Reporting System | CCARS | | | 4 | X |
| F32 | Multifamily Preservation Processing System | MPPS | X | 1 | | |
| F36 | PD&R Market Analysis Support System | MASS | X | 2 | | |
| F37A | Staff Profile Info/Resource Util Tracking (SP | SPIRUT | | | 4 | X |
| F42 | Consolidated Single Family Statistics | CSFSS | X | 2 | | |
| F42D | Single Family Default Monitoring Subsystem | SFDMS | X | 3 | | |
| F42H | Home Mortgage Disclosure Act | HMDA | X | 2 | | |
| F45 | Multifamily Data Warehouse | MDW | | | 4 | X |
| F46 | Multifamily Property Management System | PMS | X | | | X |
| F47 | Multifamily Insurance | MFIS | X | | | X |
| F49 | Multifamily Accounting Reporting and Servicing | MARS | X | | | X |
| F51 | Institution Master File | IMF | X | | | X |
| F52 | Multifamily Information Processing System | MIPS | X | | | X |
| F57 | Credit Alert Interactive Voice Resp. (CAIVRS) | CAIVRS | X | 3 | | |
| F64 | MIA Diversified Payments | MIADPS | X | 1 | | |
| F71 | Title I Notes servicing | DMCS | X | | | X |
| F72 | Title I Insurance and Claims | TIIS | X | | | X |
| F75 | Multifamily Claims System | MCS | X | | | X |
| F86 | Multifamily Tenant Characteristics System | MTCS | X | 3 | | |
| F87 | Tenant Rental Assistance Certification System | TRACS | X | | | X |
| F90 | Multifamily Insured and Direct Loan Information | MIDLIS | X | | | X |
| H21 | Departmental Automated Audits Mgmt. System | DAAMS | X | 3 | | |
| J02F | Travel Tracking System | TTS | X | 2 | | |
| N03 | Public Housing Development Cost Limits | DCL | X | 2 | | |
| N07 | Regional Operating Budget and Obligations Tra | ROBOTS | X | | | X |
| N17 | Management Information Retrieval | MIRS | X | 3 | | |
| N21 | System Management Information Retrieval / Pub | SMIRPH | X | 3 | | |
| R25 | FHA Contract Tracking System | FHACTS | X | | | X |
| R47 | PHA Statement of Oper. Receipts & Expenditures | SORES | X | 1 | | |
| | GINNIE NET | GINNIENET | X | 2 | | |
| TOTALS | | | 85 | 52 | 5 | 38 |

1 = Terminated System

2 = Determined to be Non-Financial

3 = Meets FMFIA Requirements

4 = Added as a Financial or Mixed System

Financial Systems Inventory Recap

This chart summarizes the number of systems that were Conforming and Non-Conforming in FY 1997 and 1996.

| FMFIA Systems Recap | FY 96 | FY 97 |
|---|-----------|-----------|
| Conforming Systems | 13 | 47 |
| FMFIA Non-Conforming Systems | 85 | 38 |
| Under Development | | 7 |
| Total Financial Management Systems | 98 | 92 |

Accountability Report Pilot Evaluation Form

We ask your opinion on whether the financial and program information presented is clear, concise and useful. We solicit your ideas to make the presentations more effective. Please fax or mail to: Department of Veterans Affairs (047), 810 Vermont Avenue, NW, Washington, DC 20420. Fax (202) 273-6794. We value your opinion and will try to improve next year's reports based on your response. Thanks for your help.

Pilot Agency Evaluated:

- General Services Administration
- National Aeronautics and Space Administration
- Nuclear Regulatory Commission
- Department of Housing and Urban Development
- Social Security Administration
- Department of Treasury
- Department of Veterans Affairs
- Department of the Interior

Please Identify yourself by checking appropriate box:

- CFO/Deputy CFO
- OMB/Treasury/GAO
- IG
- Program Official
- Congressional Staff
- Other

Please rate the following on a scale of 1 through 5 by checking appropriate box.

TOTALLY DISAGREE

TOTALLY AGREE

NO OPINION

1

5

X

I. Overall Impression:

1. The report is easy to read.
1 2 3 4 5 X
2. The report is balanced, presenting both positive and negative results.
1 2 3 4 5 X
3. The report compares favorably with private sector corporate reports.
1 2 3 4 5 X

II. Overall Impression:

4. The Department's missions and goals are prominently displayed leaving the reader with a view of "where the Department is going".
1 2 3 4 5 X
5. The Department's performance information gives the reader a view of "where the Department currently is" in accomplishing its missions and goals.
1 2 3 4 5 X
6. Management Control Weaknesses (FMFIA) are integrated with the mission performance data.
1 2 3 4 5 X
7. Audit Follow-ups (IG Act Amendments) are integrated with the mission performance data.
1 2 3 4 5 X
8. The report leaves you with a feeling of whether the Department is "achieving its mission".
1 2 3 4 5 X

9. The Prompt Payment Act, Civil Monetary Penalty, and Debt Management Data are integrated well into the report.
1 2 3 4 5 X

III. Graphics:

10. The graphics are easily understood.
1 2 3 4 5 X
11. The trends presented graphically are adequately explained in the accompanying narrative.
1 2 3 4 5 X

IV. Financial:

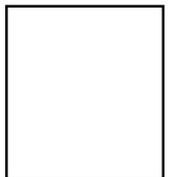
12. The report gives you a clear understanding of the financial condition of the Department's appropriations and funds.
1 2 3 4 5 X
13. Financial Statements and Footnotes are informative and understandable.
1 2 3 4 5 X
14. The Consolidating/Combining Statements and Supplemental Data section are useful.
1 2 3 4 5 X
15. The auditor's opinion is clear, concise, and understandable.
1 2 3 4 5 X

V. Best and Worst Features:

16. Is there anything you especially liked about the report?

17. Is there anything that can be improved upon in future reports?

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