acted upon to abate are found during
the reinspection not to have been cor-
rected, remedied, or acted upon to
abate, the score in the final inspection
report will reflect a point deduction of
triple the value of the original deduc-
tion, up to the maximum possible
points for the unit or area, and the
PHA must reimburse HUD for the cost
of the reinspection.

(5) If a request for reinspection is not
made within 45 days after the date that
the PHA receives the Physical Inspec-
tion Report, the PHA will be the
final Physical Inspection Report.
(b) A Physical Inspection Report in-
cludes the following items:
(1) Normalized weights as the “pos-
sible points” by area;
(2) The area scores, taking into ac-
count the points deducted for observed
deficiencies;
(3) The H&S (nonlife threatening) and
EHS (life threatening) deductions for
each of the five inspectable areas; a
listing of all observed smoke detector
deficiencies; and a projection of the
total number of H&S and EHS prob-
lems that the inspector potentially
would see in an inspection of all build-
ings and all units; and
(4) The overall project score.

Subpart C—Financial Condition
Indicator
§ 902.30 Financial condition assess-
ment.
(a) Objective. The objective of the fi-
nancial condition indicator is to mea-
Sure the financial condition of each pub-
lic housing project within a PHA’s pub-
lic housing portfolio for the purpose of
evaluating whether there are sufficient
financial resources to support the pro-
vision of housing that is DSS/GR. Indi-

cidual project scores for financial con-
dition, as well as overall financial con-
dition scores, will be issued.

(b) Financial reporting standards. A
PHA’s financial condition will be as-
Sessed under this indicator by mea-
suring the combined performance of all
public housing projects in each of the
subindicators listed in §902.33, on the
basis of the annual financial report
provided in accordance with §902.33.

(c) Exclusions. Mixed-finance projects
are excluded from the financial condition
indicator.

§ 902.33 Financial reporting require-
ments.
(a) Annual financial report. All PHAs
must submit their unaudited and au-
dited financial data to HUD on an an-
nual basis. The financial information
must be:
(1) Prepared in accordance with Gen-
erally Accepted Accounting Principles
(GAAP), as further defined by HUD in
supplementary guidance; and
(2) Submitted electronically in the
format prescribed by HUD using the Fi-
nancial Data Schedule (FDS).
(b) Annual unaudited financial infor-

mation report filing dates. The unaudited
financial information to be submitted
to HUD in accordance with paragraph
(a) of this section must be submitted to
HUD annually, no later than 2 months
after the PHA’s fiscal year end, with no
penalty applying until the 16th day of
the 3rd month after the PHA’s fiscal
year end, in accordance with §902.62.
(c) Annual audited financial informa-
tion compliance dates. Audited financial
statements will be required no later
than 9 months after the PHA’s fiscal
year end, in accordance with the Single
Audit Act and OMB Circular A–133 (see
24 CFR 85.26).
(d) Year-end audited financial informa-
tion. All PHAs that meet the federal as-
sistance threshold stated in the Single
Audit Act and OMB Circular A–133
must also submit year-end audited fi-
nancial information.
(e) Submission of information. In addi-
tion to the submission of information
required by paragraph (a) of this sec-
tion, a PHA shall provide one copy of
the completed audit report package
and the Management Letter issued by
the Independent Auditor to the local
HUD field office having jurisdiction
over the PHA.

§ 902.35 Financial condition scoring
and thresholds.
(a) Scoring. (1) Under the financial
condition indicator, a score will be cal-
culated for each project based on the
values of financial condition subindic-
ators and an overall financial condition
score, as well as audit and internal