



Banker's Advisory's New FHA Audit and Assessment Guide a Helpful Time-saver for CPA's

FHA Guidelines Manual Features Time-Saving Instructions and Data-Entry Procedures for HUD's Mandatory On-Line Reporting System

BELMONT, Mass. – February 11, 2009 – Banker's Advisory president Anna DeSimone today announced the release of her company's new **Audit and Assessment Guide for FHA Lenders and their CPA firms**. The 230-page book is an invaluable tool for lenders and auditors, who both must submit lengthy reports online each year before the lender can be recertified by the FHA.

[DeSimone](#), who also wrote the three-volume [Responsible Lending Series](#) on FHA mortgages, pointed out that the crisis in the credit markets has prompted the FHA to tighten timetables and compliance requirements for lenders seeking to renew their FHA-approved status. Audited financials and compliance reports must be submitted through LASS, HUD's online Lender Assessment Sub-System, within 90 days of the lender's fiscal year end.

Lenders who fail to comply with requirements for timely reporting now have their cases referred directly to the agency's Mortgagee Review Board for action that can include termination of approved lender status. Terminated lenders cannot re-apply for 12 months.

Before October 2008, lenders who received a notice of violation would have the opportunity to cure the violation before referral to the Review Board. But in his January 6, 2009 letter to mortgagees, Assistant Secretary for Housing-Federal Housing Commissioner Brian Montgomery stated that HUD had tightened regulations because many mortgagees had repeatedly failed to meet initial reporting deadlines.

HUD's Online Reporting System Can Be Daunting for the Uninitiated

HUD does not accept paper-based reports from lenders or auditors, but DeSimone explained that the LASS system can be difficult to understand and navigate, especially for first-time users.

"CPAs are gearing up for their busiest time of the year, and one of the duties they'll be performing for FHA lenders is online review and attestation to the lender's report submission. They must register within the LASS system and complete that work before the lender's audit data can be transmitted to the FHA," said DeSimone.

“The Audit and Assessment Guide has a detailed table of contents, quick reference guide, 80 pages of LASS data-entry instructions, and many time-saving tips for CPAs. It’s very useful for both CPA’s and bank internal auditors, who also must submit reports through LASS,” she added.

The guide also contains a Quick HUD Reference Guide and Consolidated Audit Handbook as well as detailed LASS instructions. It is priced at \$150 and [may be ordered by email](#).

Anna DeSimone to Address Regional Bankers’ Conference

“Quality Control and Compliance,” will be DeSimone’s topic at the [Tri-State Mortgage Conference](#) to be held in Portsmouth, NH March 12 and 13. Community bankers from Maine, Vermont, and New Hampshire will be on hand for her talk on risk management strategies and quality assurance in today’s mortgage market.

About Bankers Advisory

Founded in 1986, Bankers Advisory has helped mortgage lenders throughout the United States achieve high standards of credit quality and employee proficiency through a full range of audit and consulting services, customized policy manuals, training, and workflow development.

Bankers Advisory has an unparalleled reputation for excellence in the mortgage industry and among national and state banking agencies. The firm’s underwriting experts have audited more than 50,000 FHA mortgage files. Thousands of employees have been trained on Banker’s Advisory’s educational materials.

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