

# CAMS SYSTEM UPDATE

## Financial Statements & Audits Submissions

### IMPORTANT CHANGE TO DHCD'S FINANCIAL STATEMENT & AUDIT POLICY

The Virginia Department of Housing & Community Development (“DHCD”) revised the *Financial Statement & Audit Policy* (“audit policy”), effective October 1, 2024. The update includes the following important change to required submissions:

*All grantees, sub-grantees, CHDOs, sub-recipients, localities, developers, or any other organizations that receive funding during a program year and/or have projects in progress are required to submit financial statements to DHCD.*

**How does this impact organizations?** All organizations are now required to submit a financial statement/audit; developers & for-profit/other organizations did not previously have this requirement.

For more information about all requirements for submission of financial statements and/or audits, please review the [DHCD Audit Policy](#). If you have questions about the changes to the policy, or how this impacts CAMS submissions, please contact the program administrator.

### Submission Extension Requests

Has an unexpected situation made it nearly impossible to submit a financial statement/audit by the deadline? DHCD may grant an extension, depending on the circumstances!

[Audit Extension Requests](#) (located on the [Downloads](#) page in the CAMS Portal) must be submitted to DHCD’s Chief Financial Officer (CFO) **and** Program Representative. Requests will be reviewed & decisioned by the DHCD CFO on a case-by-case basis, and each request may either be granted or denied, based upon the specific facts and circumstances of the case.

More information regarding Submission Extension Requests may be found within the Audit Policy.

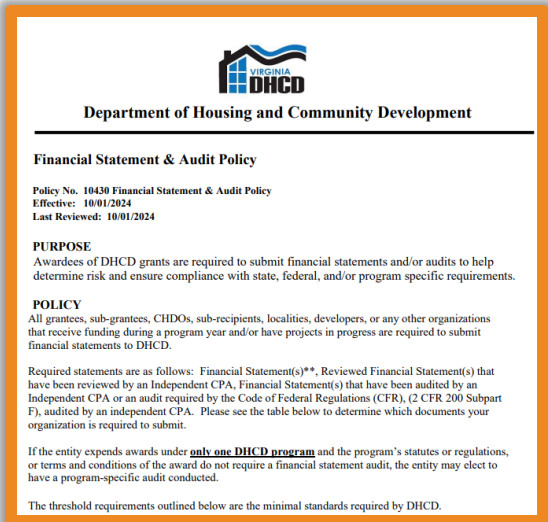


Figure 1 - DHCD Audit Policy, eff 10/1/2024

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## AUDIT COMPLIANCE, REVIEW, AND RETENTION

Below are important details regarding organizational audit compliance, the audit review process, and records retention for audits in CAMS. For entities who are new to the audit process, this can serve as an excellent reference guide; for those who have experience, this can be an excellent reminder!

### Audit Compliance

Organizational compliance with the Audit Policy is critically important; failure to comply will result in the entity’s inability to submit remittances, in accordance with DHCD’s Audit Policy.

COMPLIANT	OUT OF COMPLIANCE
<p style="text-align: center;"><u>At least one (1) current audit.</u></p> <p>Current audit must meet one of the following requirements:</p> <ul style="list-style-type: none"> <li>• Accepted, unexpired audit</li> <li>• Audit pending review &amp; not past the estimated expiration date</li> <li>• Audit under review &amp; not past the estimated expiration date.</li> </ul>	<p style="text-align: center;"><u>No current audits on file.</u></p> <p>Non-current audits are any that are:</p> <ul style="list-style-type: none"> <li>• past their expiration date (regardless of status)</li> <li>• in the “Not Accepted” status</li> </ul>

**Why are some unexpired audits listed under “Previous Audits”?** The *current audit* section only lists the audit for the most recent reporting period (as it would be the last to expire); audits listed in the *Previous Audits* are not from the most recent reporting period, even though they are unexpired.

**Can DHCD Financial Analysts review submissions under “Previous Audits”?** Yes, DHCD Financial Analysts can review/decision any submissions that are either “Pending Review” or “Under Review”.

**What if the expiration date of an audit passes while still under review?** Regardless of the status of an audit, it is considered a non-current audit once the expiration date passes; if your organization has *no current audits* on file, then your organization will be considered **out of compliance** until a current audit is on file.

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## AUDIT COMPLIANCE, REVIEW, AND RETENTION (CONT.)

### Audit Submission Status: “Under Review” vs “Pending Review”

Gone are the days of not being sure if your audit submission is being reviewed! In an effort to provide organizations with an accurate update, the status of an audit changes from “Pending Review” to “Under Review” when DHCD staff begins reviewing the submission.

**Can I still apply for funding if under review?** Absolutely! Organizations may still apply for funding while an audit is under review.

**How will under review affect compliance?** Short answer – it mostly won’t! Any unexpired audit currently under review will satisfy compliance requirements.

### Uploading Additional Audits while Pending/Under Review

Organizations can upload additional audits while another audit is either pending or under review, **if and only if** the additional submission is *not* within the same reporting period as another audit with a status of *Pending/Under Review* or *Accepted*.

**Will uploading additional audits affect the decision for the audit pending/under review?** No, the additional uploaded audits do not prevent DHCD financial analysts from issuing a final decision for the audit under review.

### Audit Records Retention

For increased accessibility, and to ensure compliance with the *Virginia Public Records Act* (§ 42.1-76 *et seq.*), all accepted audit records stored in CAMS are maintained for **5 years**, and non-accepted audit records are maintained for **30 days**, before being purged/disposed (based on their upload date).