



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-9000

GOVERNMENT NATIONAL
MORTGAGE ASSOCIATION

December 12, 2006

APM 06-12

MEMORANDUM FOR: All Participants in Ginnie Mae Programs

FROM: Michael J. Frenz, Executive Vice President

SUBJECT: Recision of Recent Update to Ginnie Mae's Annual
Financial Statements and Supplemental Reports Procedures

Effective immediately, Ginnie Mae is rescinding APM 06-07 dated September 1, 2006, and removing Appendix IX-1, which includes excerpts from the Consolidated Audit Guide for Audits of HUD Programs, Handbook IG 2000.04 ("Audit Guide"), from the Ginnie Mae Mortgage-Backed Securities Guide 5500.3, Rev.1 ("MBS Guide").

In APM 06-07, Ginnie Mae announced several changes to the annual financial statements and supplemental reporting procedures. However, Ginnie Mae must rescind APM 06-07 because the changes to Appendix IX-1 of the MBS Guide have not yet been approved by HUD's Office of the Inspector General ("OIG"). The proposed changes announced in APM 06-07 are currently under review by the OIG.

Due to inconsistencies in Appendix IX-1 of the MBS Guide and Chapters 1, 2 and 6 of the Audit Guide, we have removed Appendix IX-1 and are redirecting issuers to the Audit Guide at <http://www.hud.gov/offices/oig/reports/auditguides.cfm>. Issuers are responsible for reviewing and complying with the financial statement and supplemental reporting requirements stated in chapters 1, 2 and 6 of the Audit Guide.

Also, Ginnie Mae updated Chapters 2, 3, 7 and Appendix V-1 of the MBS Guide where references were previously made to Appendix IX-1 of the MBS Guide. These chapters and appendix now reference the Audit Guide.

We regret any inconvenience this may have caused. If you have any questions regarding this matter, please contact your Ginnie Mae Account Executive in the Office of Mortgage-Backed Securities at 202-708-1535.

Attachments

[Chapter 2](#)

[Chapter 3](#)

[Chapter 7](#)

[Appendix V-1](#)