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PROGRAM GUIDANCE

FOR: Tribal Government Leaders and Tribally Designated Housing Entities
TRIBA

FROM: Rodger J. Boyd, Deputy Assistant Secretary for Native American Programs, PN

TOPIC: Accounting for Fixed Asset Depreciation and Related Issues

Purpose: The purpose of this guidance is to inform tribes and Tribally Designated Housing Entities (TDHE) that Notice PIH 2006-39 (TDHE) has expired, and should no longer be used as direction for the Indian Housing Block Grant (IHBG) program.

Background: Notice PIH-2006-39 provided guidance on fixed asset depreciation requirements and related issues for recipients of IHBG program funds. Generally Accepted Accounting Principles (GAAP), which apply to all HUD programs, provide the requirements for accounting for fixed assets. During the transition period from HUD accounting systems to GAAP accounting, additional guidance was needed for IHBG recipients. However, now that all IHBG recipients have been following the GAAP requirements, Notice PIH-2006-39 and the additional guidance it provided is no longer needed.

Tribes and TDHEs should consult their accounting professionals for specific accounting and reporting questions regarding fixed asset capitalization and depreciation, or for other questions regarding GAAP, as it applies to the IHBG program.

For additional information on GAAP, please visit <http://www.fasab.gov/accepted.html>.