



Federal Emergency Management Agency

Washington, D.C. 20472

W-03032

MEMORANDUM FOR: Write Your Own (WYO) Principal Coordinators and the
NFIP Servicing Agent

FROM: Edward Connor
Division Director
Federal Insurance and Mitigation Administration

DATE: July 1, 2003

SUBJECT: Triennial Audits

After considerable evaluation of the biennial audit and operational review process, the Federal Insurance and Mitigation Administration has decided to reintroduce triennial audits effective October 1, 2003.

We concluded that the operational reviews provide sufficient oversight by the Department of Homeland Security regarding problems that may be present in the financial, claims handling, and underwriting fields; therefore, the major audits need to be conducted only every three years instead of the current two.

Companies and their vendors affected by this change for the forthcoming fiscal year starting October 1, 2003, will be notified of their necessity to arrange for a triennial audit by the end of July.

If you have any questions about this change, please contact Kimber A. Wald at (202) 646-3440.

Thank you for your attention to this matter.

cc: IBHS, FIPNC, WYO Marketing Committee, Government Technical Representative

Suggested Routing: Accounting, Claims, Data Processing, Underwriting