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