U.S. GOVERNMENT ACCOUNTABILITY OFFICE

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November 15, 2022

The Honorable Sherrod Brown
Chairman
The Honorable Patrick Toomey
Ranking Member
Committee on Banking, Housing, and Urban Affairs
United States Senate

The Honorable Maxine Waters
Chairwoman
The Honorable Patrick McHenry
Ranking Member
Committee on Financial Services
House of Representatives

Financial Audit: Federal Housing Finance Agency's FY 2022 and FY 2021 Financial Statements

This report transmits the GAO auditor's report on the results of our audits of the fiscal years 2022 and 2021 financial statements of the Federal Housing Finance Agency (FHFA), which is incorporated in the enclosed *Federal Housing Finance Agency Performance and Accountability Report for Fiscal Year 2022*.

As discussed more fully in the auditor's report that begins on page 73 of the enclosed agency performance and accountability report, we found

- the FHFA financial statements as of and for the fiscal years ended September 30, 2022, and 2021, are presented fairly, in all material respects, in accordance with U.S. generally accepted accounting principles;
- FHFA maintained, in all material respects, effective internal control over financial reporting as of September 30, 2022; and
- no reportable noncompliance for fiscal year 2022 with provisions of applicable laws, regulations, contracts, and grant agreements we tested.

The Housing and Economic Recovery Act of 2008 established FHFA as an independent agency empowered with supervisory and regulatory oversight of the housing-related government-sponsored enterprises: the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac), the 11 Federal Home Loan Banks, and the Office of Finance.[1] This act requires FHFA to prepare financial statements annually and requires

[1]The 11 Federal Home Loan Banks and the Office of Finance, whose primary function is to issue and service all debt securities for the Federal Home Loan Banks, constitute the Federal Home Loan Bank System.

GAO to audit the agency's financial statements.[2] In accordance with the act, we have audited FHFA's financial statements.

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We are sending copies of this report to the Chairman of the Federal Housing Finance Oversight Board, the Secretary of the Treasury, the Secretary of Housing and Urban Development, the Chairman of the Securities and Exchange Commission, the Director of the Office of Management and Budget, and other interested parties. In addition, the report is available at no charge on the GAO website at https://www.gao.gov.

If you or your staffs have any questions concerning this report, please contact me at (202) 512-7795 or sitwilliamsa@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report.

Anne Sit-Williams
Director, Financial Management and Assurance

Enclosure

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[2]Pub. L. No. 110-289, § 1106, 122 Stat. 2654, 2671 (July 30, 2008), *classified at* 12 U.S.C. § 4516.