

Continued Commitment to Rigor and Accessibility in Annual Reports

California Housing Finance Agency
Communications: Annual Reports

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California's state statutes lay out requirements for the California Housing Finance Agency to prepare an annual report to the legislature at the end of every fiscal year. In 2018, we completely overhauled our reporting process to bring more transparency and financial analysis to the report, going far beyond the requirements of the statutes. Our decision to amplify the report paid off, as the Government Finance Officers Association awarded our dual reports with Certificates of Achievement for Excellence in Financial Reporting.

The more complex of the two reports is the **Comprehensive Annual Financial Report (CAFR)**. This extensive report has three required sections, with necessary items enumerated in an extremely detailed 72-page checklist:

- The Introductory section contains general information about the department: A welcome letter from our Executive Director, organizational chart, and staff and board member roster.
- The Financial Section contains our audited financial statements, along with footnotes and supplementary information.
- The Statistical Section includes other data such as loan volume, demographic breakdowns, number of employees and further information about the department and its business.

CalHFA's CAFR also includes a Statutory Requirement section for state reporting requirements.

The **Popular Annual Financial Report (PAFR)** is much more flexible, essentially a condensed version of the CAFR designed to be read and understood by someone with minimal technical financial knowledge. PAFR requirements are more flexible, based on reader appeal, understandability, accessibility and an overall summary.

With an award-winning CAFR and PAFR under our belts, we were able to make this year's report process much more efficient, cutting the number of review versions in half. We were also able to use much of the same design and layout, which saved us costs and valuable time. Many of our financial products help first-time homebuyers and multifamily developers with gap financing, whether through bridge loans or down payment assistance, so we chose to theme this year's reports using images of California's iconic bridges such as the Golden Gate and Foresthill, the 4th tallest in the country.

We published each report in both hard copy and online, and submitted them to the Government Finance Officers Association. We will find out in June if our reports have won a second consecutive certificate. Even if we hadn't earned awards, however, the process of re-engineering our annual report has given us new insight into how our finances work, a better idea of what should be reported to the public and the legislature, and a new appreciation for the work done by accountants and graphics designers.

The [Comprehensive Annual Financial Report](#) is on our website, as is the [Popular Annual Financial Report](#).