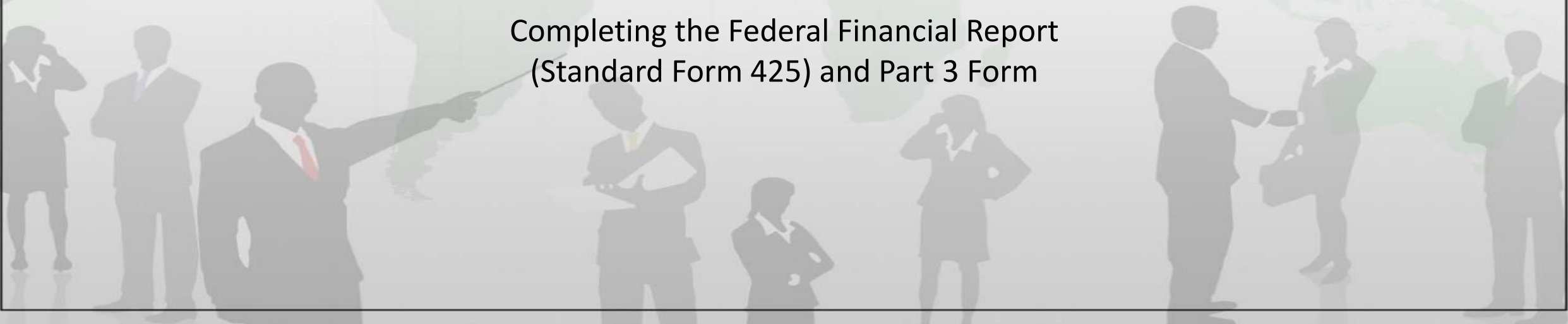




U.S. Department of Housing and Urban Development

Office of Lead Hazard Control and Healthy Homes

Completing the Federal Financial Report
(Standard Form 425) and Part 3 Form





Completing the Federal Financial Report (Standard Form 425) and Part 3 Form

This workshop will discuss the two most important Federal Financial Report forms that Grantees will use to track obligations and disbursements, and remaining funds. In addition, the do's and don'ts of filling out both forms will also be covered.

TRAINING TOPICS

- Purpose of Form
- Submission Requirements
- Completing the SF-425 and Part 3 Form
- Common Errors
- Things to Remember

PURPOSE OF THE FORM

- The SF-425 form also referred to as the Federal Financial Report (FFR) is a required Office of Management and Budget (OMB) financial reporting form to track the status of financial data tied to a particular Federal grant award.
- Captures the obligations and disbursements that occurred during the grant period not just the quarter being reported.
 - A separated SF-425 must be done for each grant.

SUBMISSION REQUIREMENTS

- Grantees are required by the HUD grant agreement to submit a FFR/SF-425.
- Due no later than 30 calendar days after the last day of a calendar year quarter.
- Submit every quarter, regardless of whether expenses were included or not, once the project has begun.
- All lines must be completed (enter 0.00 or N/A)
- If expenses have not yet been incurred during the life of the grant, report a zero cumulative total.
- If delinquent in prior period reporting, once the project has begun or at least one report has been submitted, submit delinquent report for each quarter.

DUE DATES

- FFRs are required to be submitted quarterly, semi-annually, or annually depending on the grant type and applicable program requirements.
- FFRs must be submitted to your respective GTR no later than 30 days after the end of the reporting period; (3/31, 6/30, 9/30, or 12/31).
- Final FFRs must be submitted no later than 90 days after the Period of Performances end date.



COMPLETING THE FFR/SF-425



FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted U.S. Department of Housing and Urban Development, Office of Housing Counseling		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)		Page 1	of 1 pages
3. Recipient Organization (Name and complete address including Zip code)					
4a. DUNS Number	4b. EIN	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)		6. Report Type <input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input type="checkbox"/> Final	7. Basis of Accounting <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual
8. Project/Grant Period From: (Month, Day, Year)		To: (Month, Day, Year)		9. Reporting Period End Date (Month, Day, Year)	



FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)		Page	of
		HC150941006		1	1
3. Recipient Organization (Name and complete address including Zip code)					
4a. DUNS Number	4b. EIN	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)	6. Report Type <input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input type="checkbox"/> Final	7. Basis of Accounting <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual	
8. Project/Grant Period From: (Month, Day, Year)		To: (Month, Day, Year)	9. Reporting Period End Date (Month, Day, Year)		



FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)		Page	of
		HC150941006		1	1
3. Recipient Organization (Name and complete address including Zip code)					
XYZ Housing Counseling Agency, 6500 Highway Avenue, Washington, DC 20002					
4a. DUNS Number	4b. EIN	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)	6. Report Type	7. Basis of Accounting	
069500251	43-1569215		<input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input type="checkbox"/> Final	<input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual	
8. Project/Grant Period From: (Month, Day, Year)		To: (Month, Day, Year)	9. Reporting Period End Date (Month, Day, Year)		



FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted U.S. Department of Housing and Urban Development, Office of Housing Counseling		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) HC150941006		Page 1	of 1 pages
3. Recipient Organization (Name and complete address including Zip code) XYZ Housing Counseling Agency, 6500 Highway Avenue, Washington, DC 20002					
4a. DUNS Number 069500251	4b. EIN 43-1569215	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)	6. Report Type <input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input type="checkbox"/> Final	7. Basis of Accounting <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual	
8. Project/Grant Period From: (Month, Day, Year) 10/01/2014		To: (Month, Day, Year) 03/31/2016	9. Reporting Period End Date (Month, Day, Year) 09/30/2015		



10. Transactions	Cumulative
<i>(Use lines a-c for single or multiple grant reporting)</i>	
Federal Cash (To report multiple grants, also use FFR Attachment):	
a. Cash Receipts	\$5,000
b. Cash Disbursements	\$5,000
c. Cash on Hand (line a minus b)	\$0

Block 10. Transactions

FEDERAL CASH: Enter cumulative amounts from the date of award through the end date of the current reporting period.

- a) Cash receipts – amount of federal funds drawn down
- b) Cash Disbursements – amount of federal funds paid out
 - Cash based accounting (a) should equal (b)
 - Accrual based accounting (b) is usually greater than (a)
- c) Cash on Hand
 - Cash based accounting should be \$0.00 as recipient should not have drawdown any funds greater than that expended. If line (c) is greater than \$0.00 an explanation must be provided.
 - Accrual based accounting will usually be a negative number representing the amount of money owed to recipient (funds expended but not yet reimbursed).

(Use lines d-o for single grant reporting)

Federal Expenditures and Unobligated Balance:	
d. Total Federal funds authorized	\$15,000
e. Federal share of expenditures	\$4,950
f. Federal share of unliquidated obligations	\$0
g. Total Federal share (sum of lines e and f)	\$4,950
h. Unobligated balance of Federal funds (line d minus g)	\$10,050

Federal Expenditures and Unobligated Balance:

- d.) Cumulative obligated (awarded) amount of federal funds to include original obligation and my modifications
- e.) Cumulative federal dollars spent as of the reporting period end date (usually the same as Line (b.))
- f.) Refers to recipient outstanding amounts owed to sub-recipients, contractors, or vendors (if any) as of the reporting period end date. If there are no recipient obligations enter \$0.00
- g.) Line (e.) + Line (f.)
- h.) Line (d.) – Line (g.) = The amount of federal funds remaining

COMPLETING THE FFR/SF-425

Cumulative reporting provides a sum of expenditures for the life of a grant. To arrive at your cumulative total, add all expenses incurred to date.

In the example that follows, and Block 10e-Federal Share continues to increase in each successive SF-425 to show the total amount of expenditures to date. If a Grantee finds that a reporting error has occurred, and in order to correct the SF-425 a deduction from either block is necessary, the Grantee is required to make a notation in Block 12-Remarks.



COMPLETING THE FFR/SF-425

For Example:

For the reporting period 07/01/18 to 09/30/18, Federal expenditures =

\$5,000

For the reporting period 10/01/18 to 12/31/18, Federal expenditures =

\$3,320

SF-425 Reporting

Federal Expenditures

Period Ended 09/30/2018

and Unobligated Balance:

Total Federal funds authorized

15,000

Federal share of expenditures

5,000

Federal share of unliquidated obligations

-

Total Federal Share (sum lines e & f)

5,000

Unobligated balance of Federal funds (line d minus g)

10,000

SF-425 Reporting

Period Ended 12/31/2018

and Unobligated Balance:

Federal Expenditures

Total Federal funds authorized

15,000

Federal share of expenditures

$\$5,000 + \$3,320$

8,310

Federal share of unliquidated obligations

-

Total Federal Share (sum lines e & f)

8,310

Unobligated balance of Federal funds (line d minus g)

6,690

COMPLETING THE FFR/SF-425

Recipient Share:	
i. Total recipient share required	NA
j. Recipient share of expenditures	NA
k. Remaining recipient share to be provided (line i minus j)	NA

This section must be completed with you match requirement according to the grant agreement.



COMPLETING THE FFR/SF-425

Program Income:	
l. Total Federal program income earned	\$200
m. Program income expended in accordance with the deduction alternative	\$200
n. Program income expended in accordance with the addition alternative	
o. Unexpended program income (line l minus line m or line n)	\$0

PROGRAM INCOME:

This section must be completed if the recipient will generate any income as a result of work performed under this agreement. If no income will be generated Lines (l), (m), (n) and (o) should be marked N/A. For all others:

- l. Amount of income earned as a result of this agreement
 - a. Refer to agreement
 - b. Refer to agreement
 - c. Line (l) – line (m) or (n) as applicable

COMPLETING THE FFR/SF-425


11. Indirect Expense	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
	Provisional	10%	01/01/2012	12/31/2016	\$4,500	\$450	\$450
				g. Totals:	\$4,500	\$450	\$450

Block 11. Indirect Expenses

This section must be completed if recipient is charging indirect costs, otherwise leave blank.

- Type of indirect cost rate: Provisional, Predetermined, Final or Fixed
- Rate (%) in effect during the reporting period
- Beginning and ending dates for the effective rate
- Amount of the base against which the rate was applied. Ex: if the agreement provides for indirect costs and the rate negotiated was computed using salaries and wages only, then the rate may only be applied to the amount paid for salaries and wages (not to travel, equipment, or other direct costs etc.)
- Multiply 11(b) x 11(d) f. 11(f) = 11(e) unless charging the government less than the indirect costs incurred. g. Enter totals for columns 11(d), 11(e) and 11(f)

COMPLETING THE SF-425

12. <i>Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:</i>	
13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)	
a. Typed or Printed Name and Title of Authorized Certifying Official	c. Telephone (Area code, number and extension) 410-309-4929, ext. 201
	d. Email address robinb@bmc-llc.net
b. Signature of Authorized Certifying Official Robin L. Booth, CPA	e. Date Report Submitted (Month, Day, Year) 09/30/2015

Block 12. Remarks

Enter or attach any explanation recipient feels should be included with the report.

Block 13. Certification

Please make sure all information is legible.

- Print or type the name of the person authorized to sign this document
- Signature of the person authorized to sign this document
- Telephone number of the person to contact for questions
- E-mail address of the person to contact for questions
- Submission date



COMMON ERRORS



COMMON ERRORS

FEDERAL FINANCIAL REPORT				
(Follow form instructions)				
1. Federal Agency and Organizational Element to Which Report is Submitted		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)		Page 1 of _____ pages
3. Recipient Organization (Name and complete address including Zip code)				
4a. DUNS Number	4b. EIN	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)	6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input type="checkbox"/> Final	7. Basis of Accounting <input type="checkbox"/> Cash <input type="checkbox"/> Accrual
8. Project/Grant Period From: (Month, Day, Year)		To: (Month, Day, Year)	9. Reporting Period End Date (Month, Day, Year)	
10. Transactions			Cumulative	

- Incomplete forms
- Not reporting the correct grant number
- Not capturing the accurate reporting type
- Not reporting the accurate reporting period end date

COMMON ERRORS

10. Transactions	Cumulative
<i>(Use lines a-c for single or multiple grant reporting)</i>	
Federal Cash (To report multiple grants, also use FFR Attachment):	
a. Cash Receipts	
b. Cash Disbursements	
c. Cash on Hand (line a minus b)	

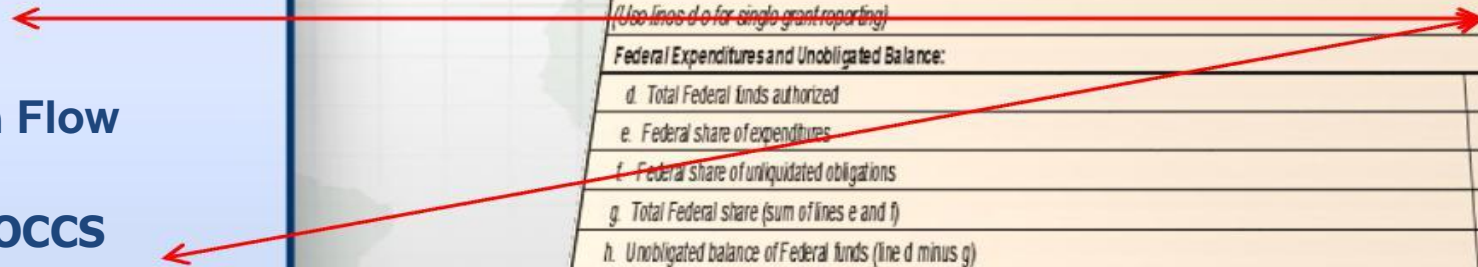
- > 10 (a), Not reporting the correct amount of the grant funds authorized (received) as of the beginning of the grant reporting period to the reporting period end date
- > 10 (b), Not reporting the correct amount of Federal funds disbursed from the start of the award through the reporting period end date

COMMON ERRORS

Notable Reasons for the Net Effect on Cash on Hand:

- Positive (Excess) Cash Flow
- Negative Cash Flow
- Waiting for eLOCCS reimbursement

10. Transactions	Cumulative
<i>(Use lines a-c for single or multiple grant reporting)</i>	
Federal Cash <i>(To report multiple grants, also use FFR Attachment)</i>	
a. Cash Receipts	
b. Cash Disbursements	
c. Cash on Hand <i>(line a minus b)</i>	
<i>(Use lines d-o for single grant reporting)</i>	
Federal Expenditures and Unobligated Balance:	
d. Total Federal funds authorized	
e. Federal share of expenditures	
f. Federal share of unliquidated obligations	
g. Total Federal share <i>(sum of lines e and f)</i>	
h. Unobligated balance of Federal funds <i>(line d minus g)</i>	
Recipient Share:	
i. Total recipient share required	
j. Recipient share of expenditures	
k. Remaining recipient share to be provided <i>(line i minus j)</i>	
Program Income:	
l. Total Federal program income earned	
m. Program income expended in accordance with the deduction alternative	
n. Program income expended in accordance with the addition alternative	
o. Unexpended program income <i>(line l minus line m or line n)</i>	



COMMON ERRORS

(Use lines d-o for single grant reporting)

Federal Expenditures and Unobligated Balance:

d. Total Federal funds authorized	
e. Federal share of expenditures	
f. Federal share of unliquidated obligations	
g. Total Federal share (sum of lines e and f)	
h. Unobligated balance of Federal funds (line d minus g)	

- >10 (e), Not reporting the correct amount of actual disbursements (direct and indirect expenses) charged to the grant as of the reporting period end date. Do not include any Program Income expended.
- >10 (f), Not reporting all incurred expenses owed (unliquidated obligations) but not yet recognized



COMMON ERRORS

Program Income:	
l. Total Federal program income earned	
m. Program income expended in accordance with the deduction alternative	
n. Program income expended in accordance with the addition alternative	
o. Unexpended program income (line l minus line m or line n)	

- 10 (l), Not reporting the cumulative amount of program income received during beginning of the grant reporting period to the reporting period end date
- 10 (m), Not reporting the correct amount of program income expended for HUD grant activities supported under the grant during the reporting period end date.

COMMON ERRORS

>Not including notes for the following
exceptions:

>Cash on Hand,

>Unobligated balance of Federal funds,

>Unexpected Program Income.



Financial Forms

- *Part 3 Form*

- Grantees are to use the Part 3 – Financial Reporting Form in accordance with OLHCHH Policy Guidance PGI 2015-02, “Line of Credit Control System (eLOCCS) Reimbursement Procedures”

- *SF-425*

http://www.whitehouse.gov/sites/default/files/omb/grants/approved_forms/SF-425.pdf

- Must be submitted every Quarter for each active grant
- Use the Part 3 Form, your CBW, and Budget Tool to reconcile and provide total spent, collected, and remaining

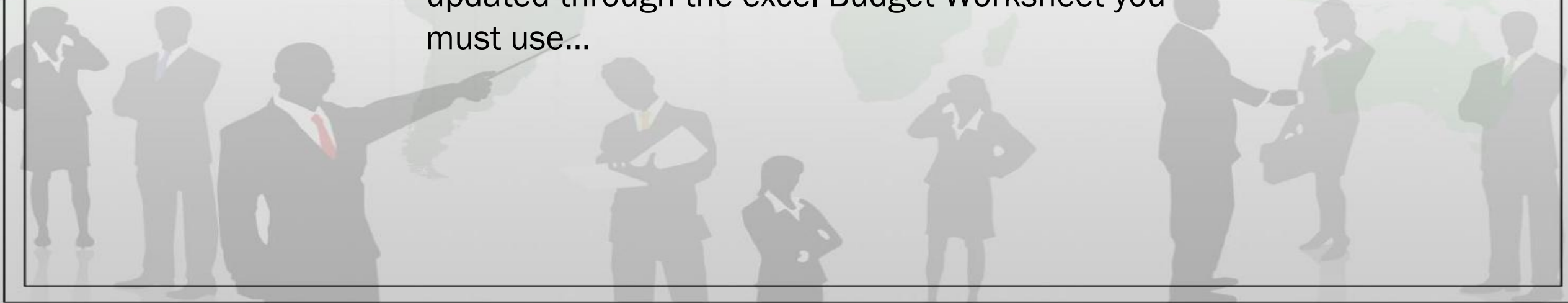
The Purpose of the Form

- *Part 3 Form*
 - Summary of costs reimbursed through LOCCS for each budget category- **MUST BE SIGNED**
 - Includes summary of Administrative Costs and Match Funding



Submission of the Form

- *Part 3 Form*
 - With each eLOCCS submission the Grantee shall submit to the GTR the original documents (voucher) related to reimbursements requested for work performed. The voucher shall be supported by a detailed breakdown of the cost(s) claimed..
 - With each budget revision, your Part 3 will be updated through the excel Budget Worksheet you must use...



Part 3 Form

**PART 3
FINANCIAL REPORTING
HUD Lead Hazard Control Grants**


Grant Agreement Number: _____
 Grant Organization: _____
 Report Period: _____

BUDGET CATEGORIES*	NEGOTIATED BUDGET	APPROVED LOCCS DRAWDOWNS THIS PERIOD*	CUMULATIVE LOCCS DRAWDOWNS TO DATE*	AVAILABLE BALANCE
1. Personnel (Direct Labor)	800,412.80	\$14,170.23	394,311.40	206,101.40
2. Fringe Benefits	244,093.12	\$7,562.38	160,280.24	83,752.88
3. Travel	20,727.00	-	6,022.17	14,704.83
4. Equipment	-	-	-	-
5. Supplies and Materials	23,538.71	-	7,223.02	16,315.69
6. Consultants	-	-	-	-
7. Contracts / Sub-Grantees /				
7a. Mustardseed	29,400.00	-	20,400.00	9,000.00
7b. LHC - Owner Occupied	556,500.18	\$28,156.00	408,780.00	147,720.18
7c. LHC - Rental	326,751.15	-	206,249.00	60,502.15
7d. Healthy Homes Inte	100,000.00	\$8,239.00	103,970.00	76,030.00
	4,000.00	-	144.16	3,855.82
	68,000.00	-	-	68,000.00
	76,500.00	-	-	76,500.00
	76,500.00	-	42,675.00	33,825.00
7k. City of Indianapolis	55,000.00	-	8,850.00	76,150.00
7l.	-	-	-	-
7m.	-	-	-	-
7n.	-	-	-	-
7o.	-	-	-	-
Subtotal Item 7	1,402,651.33	36,595.00	851,263.16	551,583.15
8. Other Direct Costs	188,637.04	\$1,510.48	102,360.63	86,276.41
9. Indirect Costs	-	-	-	-
10. TOTALS*	2,480,000.00	58,646.05	1,521,265.64	868,734.36

Negotiated budget must match last approved budget document.

NO negative balances can result from draw being approved.

Part 3 Form



FINANCIAL REPORT
HUD Lead Hazard Co

Grant Agreement Number:
 Grant Organization: MO Health Department
 Report Period: May Year 2014


Administrative Cost Summary

BUDGET CATEGORIES*	NEGOTIATED BUDGET	APPROVED LOCCS DRAWDOWNS THIS PERIOD*	CUMULATIVE LOCCS DRAWDOWNS TO DATE*	AVAILABLE BALANCE
1. Personnel	102,541.92	2,839.84	70,464.34	32,077.58
2. Fringe Benefits	41,653.29	1,154.39	34,070.10	7,513.19
3. Travel	20,727.00		6,022.17	14,704.83
4. Equipment				
5. Supplies and Materials	12,988.00		7,103.37	5,884.63
6. Consultants				
7. Contracts / Sub-Grantees /				
8. Other Grant Costs	17,400.00	0.46	12,292.55	5,107.45
10. TOTALS ADMIN COSTS*	195,338.21	3,994.69	129,952.63	65,385.68

* Administrative costs included in totals expended are not to exceed 10-percent.

Total Award \$2,480,000 with HHI Budgeted

Minimum Direct Costs:	\$ 1,612,000.00	\$ 1,806,526.19	meets
Maximum Administrative Exp:	\$ 248,000.00	\$ 195,338.21	meets



Part 3 Form

Match Commitment Summary		
Source of Match Funds	Eligible Activities	Amount this Quarter
In-kind cost	staff time	\$12,137
Match Commitment Summary		
Total Match Commitment	Total Match This Quarter	Cumulative Match
\$252,630	\$12,137	\$178,722

Ensure the source is eligible and specific details given.

Total should always match the amount on 1044

Running Total for draws in the quarter. Cumulative for Quarter End should match FFR 425

Running totals all quarters to date.

Common Errors

- No negative numbers
- No credits – speak with your GTR on best way to handle
- No scratch out or corrections – must be typed and correct
- Dose not have a signature
- Does not match current revised budget



THINGS TO REMEMBER

- > Double-check to make sure the FFR is completed correctly and contains all required information and signatures.
- > Have a copy of your award notification available for reference purposes.
- > Have copies of the last reported FFR (to refer to), if not a new grant. If new, this would be the 1st report.

THINGS TO REMEMBER

- > Report program outlays and program income on the same accounting basis (either cash or accrual) that it uses in its normal accounting system.
- > Submit a 'FINAL' FFR for the duration of the grant with no unliquidated obligations before HUD can accept the "FINAL" FFR to close out the award.



Questions

