



## Final Transcript

### **HUD-US DEPARTMENT OF HOUSING & URBAN DEVELOPMENT: Quarterly Grant Reporting - External**

June 9, 2020/1:00 p.m. CDT/ST

#### **SPEAKERS**

Virginia Holman  
Blair Clarke  
Vanessa McCollum

#### **PRESENTATION**

Moderator                Ladies and gentlemen, thank you for standing by. Welcome to the Quarterly Grant Reporting conference call. At this time, all participants are in a listen-only mode. Later we will conduct a question and answer session. Instructions will be given at that time. [Operator instructions]. As a reminder, this conference is being recorded.

I would now like to turn the conference over to our host, Ms. Virginia Holman. Please go ahead.

Virginia

Thank you very much, and welcome, everybody to today's webinar on Quarterly Grant Reporting, a really important topic this time of year. Before we get started with the webinar itself, I'd like to go over some logistics.

I did send out the handouts, the PowerPoint, this morning, but they're also available on the control panel on the right hand side of your screen. If you go to handouts, you can just download it there.

As the operator said, the webinar is being recorded. We will be posting the presentation, a transcript, and an audio replay number on HUD Exchange in about a week, and we'll send out a notice when that happens.

At this point, if we have questions, it will be at the end, and the operator will give you instructions at that point, but we do have other ways that we would like you to ask questions because we feel your questions are really important. There's, again, the panel on the right hand side of your screen. There's a box labeled questions. If you just type it in, we have people watching the questions and making sure that we're able to answer them all.

After the webinar is over, if you have more questions or comments, just send them to [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov), and put the topic in the subject line so we can get it to the right person.

At this point, I don't believe we're going to have an open discussion period, but if there is, we want you to put your phones on mute.

If you've logged on to the webinar, you're going to receive a certificate of training from GoToWebinar within about 48 hours. You need to print it out and save it for your records.

Now, let me turn it over to Blair Clarke. Blair.

Blair

Thank you, Virginia. Again, my name is Blair Clarke with Allmond & Company. I will be presenting the Quarterly Grant Reporting training to you guys today, so we have a lot of different things we're going to go over today. Hopefully it's helpful to everyone who's joined the call and by the end of this, everyone will be experts on all things quarterly reporting and be able to submit their quarterly reports on a timely basis, and they'll all be perfect.

So, today we're just going to go over some of the course objectives and what you can expect to learn from the course today. We're going to talk about the standards for quarterly grant reporting. We're going to go over HUD's Housing Counseling Program Handbook which gives an overview of the actual program as well as some guidance on what regulates the reports that are due to HUD on a quarterly basis.

We're also going to talk about the FY '19 grant agreement and what that states about quarterly reporting. The grant agreement gives a little bit more details of the actual reports that are due to HUD, so we're going into some depth and some detail of the actual quarterly reports that are due.

So, the four required quarterly reports that we're going to go over today is the SF 425 Federal Financial Report, which is a very, very important report to the grantees and to HUD. So, we're going to go through that report actual box-by-box so that it's clear what should be included in the report for each line so that everyone is comfortable with filling out the SF 425 correctly and completely.

We're going to talk about HUD's 9902 and the reasons why that's important and why HUD uses that 9902 and the methodology for actually

completing the 9902. We'll also give you some resources as well so that you can go back and find instructions and be able to fill out the forms correctly.

We're going to talk about the quarterly performance report as well. This is going to be a little bit more detailed report than the SF 425. Where the 425 gives us a summarized level of expenses and disbursements, the actual quarterly performance report is going to be a lot more detailed so that it's clear the expenses that are being charged to the grant. We're going to talk about all the requirements that are necessary to be included in the quarterly performance report as well.

Finally, we're going to look at the eLOCCS payment voucher which is the eLOCCS system where grantees will request reimbursement. So, everybody wants to get paid, everybody wants to get reimbursed for their expenses, so we're going to go over that and make sure that is clear on how to do so.

Again, my name is Blair Clarke. On behalf of Allmond & Company, we are presenting this quarterly grant reporting on behalf of the Office of

Housing Counseling at HUD. I also have Vanessa McCollum with me as well. She'll be answering your questions in the webinar.

Let's talk about our actual course objectives and what we plan to accomplish today. After completing this course, the learner should be able to identify regulations related to quarterly grant reporting. So, you'll be able to know what exactly regulate the quarterly reporting requirements for HUD.

So, even after this course, you'll be able to go and find those resources on your own and be able to identify what's necessary, what reports are necessary, and when the reports are due. So, we're going to identify those regulations so that you'll be able to identify them moving on going forward.

We're also going to identify the required documents and forms that should be reported to HUD on a quarterly basis, so we're going to talk about the exact forms that are required to be submitted to HUD, the manner in which they should be submitted, and then we're going to actually prepare each report. We're going to go through the report so that it's clear on how those are supposed to be prepared. We're going to go through 425 box-

by-box so that it's clear what should be included in each box and how these reports should be filled out.

First, I'll start with a little bit of background. So, HUD's Housing Counseling Program Handbook is a general handbook for the housing counseling program. It gives an overview of the actual program, what its objectives are, some of the services that it offers as well as some of the reporting requirement for grantees as well as HUD. So, the section that we're going to talk about most today is chapter 5 which is recordkeeping and reporting, so we're going to start with chapter 5, section 11 where it states Reports to HUD.

"Participating agencies must submit complete, accurate, and timely activity reports." That line is extremely, extremely important for all agencies and grantees that are participating in the housing counseling program, they are required to submit complete and accurate and timely activity reports.

Timely is a big key there. These reports are necessary for HUD to operate their program and to do their financial accounting and reporting. So, it is

very, very important that these reports are submitted on a timely basis, and that when they are submitted, they are complete and accurate.

It goes to say, “The reports must be submitted in the format, by the date, and in the manner prescribed by HUD.” That is stating that HUD determines the format that they should be submitted in, the due dates for which these should be submitted, and then the manner that they should be submitted in. So, this line is just stating that HUD is going to determine how those reports should be submitted and what they should look like.

It continues on to say, “Participating agencies that also receive HUD grants or subgrants may be required to submit additional reports as described in the grant agreement and prescribed by HUD.” So, the Housing Counseling Program Handbook, again, is the overarching authoritative guidance on the actual program.

Where it’s not specific, that’s where we refer to the actual grant agreement. So, this line is stating that in the actual grant agreement there’s more details about the reports that should be submitted to HUD for grantees and subgrantees. So, we’re going to go into more detail about



those actual reports that are in the FY '19 grant agreement that are required to be submitted by the grantees.

Keep in mind going forward that the actual handbook doesn't describe the actual reports all the way, so keep in mind that you have to refer to the actual grant agreements to see what those specific reports are.

Looking at the FY '19 grant agreement, in Article 8, Conduct of Work, it states, "The grantees shall submit all reports and other materials to HUD POC." So, this is the line that states the manner in which reports and information should be submitted. So, all reports that are due to HUD should be submitted to your HUD POC.

In Article 9 of the grant agreement, it gives additional details on the reporting requirements, so let's start to look at the actual reporting requirements that is in the FY '19 grant agreement. In Article 9 reporting, this paragraph is the paragraph that leads into the actual listing of reports that are due to HUD on a quarterly basis.

It states, "Grantees must submit a separate quarterly performance report containing the following items for each subgrantee. Subgrantees that also

provide counseling service at their main office must also submit a separate report for their main office.” So, this is the paragraph that’s going to lead into the exact reports that are due for grantees and subgrantees as well as main offices that submit separate reports.

Let’s take a look at what some of those reports are. One of the four that we’re going to go over today is form SF 425 also known as the Federal Financial Report. This report summarizes financial data including program income and expenses for each quarter. This is a pretty large report. It’s a pretty important, critical report to have submitted to HUD on a quarterly basis.

It gives the HUD information on the activity on the grant. What is being expensed? What has been disbursed already? What has the grantee received back from reimbursements, and how much expenses is left to be spent on the grant?

This information on the SF 425 is very, very critical for HUD’s own financial reporting and accounting policies in order to know how much the grantees have been spending, how much of their own expenses are coming. They need this SF 425 financial report in order to operate. So,

these reports are extremely important for HUD and for the grantee, so these reports are due to HUD, and HUD cannot approve reimbursement until they have these reports. So, it's very, very important that these SF 425s are submitted to HUD, and they are complete, accurate, and submitted on a timely basis.

It's not even just for HUD. I know the SF 425 is used for a lot of federal agencies as well. SF 425, the SF being standard form, so a lot of federal agencies use this financial report in order to do their own accounting and reporting as well as budgeting and forecasting for their own purposes. So, even if it's not just for HUD, if you're participating in other agencies' awards, then you're probably going to be required to fill out an SF 425. If it's not exactly an SF 425, it's some kind of similar financial report.

Note that this report is required for intermediaries, state housing finance agencies, and multistate organizations. So, simply, basically just the grantees are required to submit an SF 425. Subgrantees are not required to submit SF 425s. The grantees will submit one SF 425 for all their subgrantees combined, so it's cumulative for all subgrantees as of the reporting date.

Then, there's a link there as well for everyone to find the form. If you don't already have the form or a template of the form, there's a link there for you to grab, and like I say, most federal agencies use this report, so if you don't have it there's a link there that you guys can grab that.

The next report we're going to talk about is form HUD-9902 which is the Housing Counseling Agency Activity Report. This reports critical fiscal year-to-date information about housing counseling activities. It reports information on the number of housing counseling clients, their demographics, the counseling and services received, and the impacts of counseling.

The information in this report is critical for monitoring the effectiveness of the housing counseling program, so whereas the SF 425 is more financial related, the 9902 is more program related. So, HUD needs these reports in order to determine how effective their program actually is. What is the demographics that are being reached as a result of the program? These numbers get reported to Congress and other stakeholders of the information about the actual program is operating.

So, again, these reports are very, very critical and crucial for grantees to submit them accurately, completely, and on a timely basis in order for HUD to do their own monitoring and their own effectiveness of the program to keep it going.

The next one we're going to look at is the quarterly performance report. This report details grantee and subgrantee information related to eligible grant expenses. So, whereas the SF 425 is going to be a summarized level of data and expenses, the quarterly performance report is going to be more detail-oriented. It's going to show exactly what expenses and what activities have been charged through the grant award.

We're going to actually see how much is charged to salaries, how much is charged to fringe benefits, how much is charged to travel, marketing and outreach, supplies, different things like that. So, it's going to include all levels of detail that the actual award is being charged and what the actual expenses are.

We'll go into a little bit more detail on that in a second. We have a sample at the end so that you guys can actually see what a quarterly performance

report should look like and everything that should be included in the report.

Then finally, we're going to talk about the eLOCCS payment voucher.

This is the request for grant payments that is electronically submitted through the eLOCCS system for HUD to review.

Again, this is going to be kind of the last thing that we talk about because it's the last thing that should be submitted. All the other reports should be submitted to HUD in order for them to approve your eLOCCS payment. You should not be getting reimbursed, and HUD cannot reimburse you for the expenses that have been charged until they have all the required elements of the quarterly reporting.

So, we're going to talk about that one last. We're going to go over it a little bit and see an example of what the payment voucher looks like.

Let's talk about the SF 425 Federal Financial Report, and let's actually go through the report box-by-box so that it's clear how these reports should be filled out. So, the top of the report is pretty simple. It's basically just filling in information about the grant and the grantee.

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In box 1 where it says federal agency to which the report is submitted, that would be HUD's Office of Housing Counseling. In box 2 where it says grant number, that's the grant number that is assigned by HUD. If you're not sure what your actual grant number is, you can find it in the actual grant award. In that document, it should state what the grant number is so that you can fill that part out.

Boxes 3 through 5 should be completed with the grantees information, so the organization's name, the street address, their DUNS number, their EIN number. All that information from the grantee should be filled out with the grantee's information in boxes 3 through 5, so that should be pretty simple.

Box 6 should be checked off as quarterly. Again, this report to due to HUD on a quarterly basis. Most agencies that we've seen and worked with require these to be submitted quarterly, but you can determine that in your actual grant agreement, but for HUD, it's required to be quarterly. So, report type should be checked off as quarterly.

For basis of accounting in box 7, this should specify whether a cash or accrual basis is used for recording transactions related to the award and for preparing this SF 425. For those of you that don't know the difference between cash and accrual, accrual basis of accounting refers to the accounting method in which expenses are recorded when they are incurred whereas cash basis of accounting is expenses that are recorded when they are actually paid.

So, that's just a slight difference between cash and accrual. Whatever your agency uses in order to record the transactions for the grant should be filled out as either cash or accrual.

Box 8 for project/grant period, that should be the actual period of performance of the grant. So, you can find that again, on the actual grant award. It should have the actual period of performance of the grant. For FY '19, the period of performance with the grant should be 10/1/2018 through 3/31/2020. That's just an example of FY '19, but you could find that on the actual grant award.

Then, for box 9, it would just be the reporting end date, so whether you're reporting for March 31<sup>st</sup> or June 30<sup>th</sup>, September 30<sup>th</sup>, December 31<sup>st</sup> that



would be the end date for which the report is due on what quarter this period is reporting for.

Next, we're going to look at box 10. So, box 10 is a little bit trickier. This is where we're actually going to fill in the financial information and activity of the grant. So, starting with box 10(a), this should be the cumulative amount of actual cash received from the federal agency as of the reporting date. Any reimbursements that the agency and the grantee have already received, this should go into box (a) for cash receipts.

For box 10 cash disbursements, this is the cumulative amount of expenses that have been disbursed by the grantee. So, any disbursements that the grantee has made on their expenses for whether it's salaries or benefits or whatever it is, any cash disbursements that the grantee has made should go into the cash disbursements box.

Then, box (c) is cash on hand, and that's a calculated balance which would be (a) cash receipts minus (b) cash disbursements. Note that this box should be negative. Since we are dealing with reimbursable grants, you should not have received more money from the federal agency than you have disbursed. This amount should typically be negative.

If the amount is positive, then that means there's a potential issue that may need further explanation, but since these grants are reimbursable, the cash on hand should be negative. There should be more disbursements than there are cash receipts.

The next section talks about federal expenditures in an obligated balance. So, we're still in section 10 filling out the financial information. In box 10 (d), this is where you would enter in the total amount of grant award, so the total federal funds authorized is the full amount of your grant award. Again, you could find that on the actual grant award, how much money has been authorized and obligated for you to expense.

In box (e), that should be the federal share of expenditures, year-to-date expenditures. So, however amount of expenses have been charged to the grant as of the reporting date, should be posted here in box (e) So, that should come from your detailed report of how many expenses of salaries, fringe benefits, supplies, marketing, outreach, indirect costs. That total amount should be put into federal share of expenditures. So, that should all direct costs and indirect costs as well.

For box 10(f), that's just the federal share of unliquidated obligations. If there are any obligations that have been incurred for expenses that have not been recorded, you would typically fill out this box, but it should not include any amounts from 10(e). So, if all your expenses are in 10(e), then (f) should not be filled out.

Then box (g) is going to be the total fair share so that is going to be the total of (e) plus (f), so that's on the calculated line, so it's the sum of (e) plus (f). So, essentially, that's all the expenses that are being charged to the award that the agency is going to reimburse.

Finally, for (h) another calculated line, that is the unobligated balance of federal funds which is box (d) minus box (g), so that is the actual award minus the amount of expenses that have been charged to the award which shows how much is remaining on the federal award. So, this box is extremely important.

Like I say, boxes (a) through (h) are extremely important for HUD's purposes in doing their own financial accounting, reporting, and budgeting, so they need to see how much has been disbursed, how much the grantee has received back, the amount of the award as well as how

much has been expended from the award and how much is still remaining to the expense. So, this part is extremely important for grantees to fill out correctly and accurately.

We're not going to talk too much about recipient shares. The recipient share is only included if there are matching or cost sharing agreements. Since the housing counseling program does not require any matching or cost sharing agreements, we're not going to talk about the recipient share too much.

Same thing with program income. If there is actual income being earned for the federal government, for the federal program, then you will fill out (l) through (o), so we're not going to talk too much about those parts today.

The next part we're going to talk about is box 11 which is the indirect expenses. If a grantee or a subgrantee is charging indirect expense to the grant, then this box needs to be filled out. So, in box (a), you will put the type of indirect cost that is being expensed. If a subgrantee or the grantee has a NICRA in place, you would just enter in NICRA, which is a negotiated indirect cost rate agreement. If a grantee or a subgrantee is

using the de minimis rate, then you would type in de minimis into box (a) for type.

In box (b) that will be the actual rate, so if you're using a NICRA, the actual rate of that NICRA should be put in the box (b) for rate. If you're using the de minimis, then you will put 10% into that rate box.

For box (c) for periods from and to, that will be the effective date of the indirect cost rates, so for those using NICRA on the actual agreement, it should state the effective dates that the rates are applicable. For those using the de minimis rate of 10%, I would suggest just putting in the period of the grant award, so again, that would be on the grant award, for FY '19, it would be 10/1/2018, through 3/31/2020.

For box (d) where it talks about the base, this is the base on which indirect cost rates are charged against. So, in order to calculate your indirect costs you determine total direct cost whether using total direct cost or a modified total direct cost method, the base that is applied to the rate in order to arrive at the indirect cost expense.

So, you should be able to take box (d) which is the base times box (b) which is the rate, and this should be equal to the amount charged which is box (e). So, the rate times the base is equal to the actual indirect expense that is being charged to the award, and (e) and (f) should be the same. The federal share of the expenses that is being charged to the grant is the same as the amount charged.

So, hopefully that's clear. Again, box (b) is the rate, times (d) which is the total direct cost that is being used to calculate indirect expense is equal to box (e) and (f).

For those grantees that have multiple subgrantees that are using NICRAs or a mix of NICRAs and de minimis, I would suggest just using a schedule or an attachment. You could just put in where it says type, you could say see attachment and then just list out all the agencies that are using different NICRAs and a schedule that includes all the information seen here on box 11 so that it's clear that different agencies are using different rates.

For subgrantees that are all using the 10% de minimis, I would suggest just including all of those agencies' totals into one line. I don't think

there's a need to create a schedule for multiple agencies using the 10% de minimis since the rates are the same.

Then, box (g) just shows the totals for everything combined.

For box 12, that will be an attachment of any necessary explanations required by the POC. So, if anything in the SF 425 needs further explanation, that's where it would go into box 12, and you would just add an attachment. Since the box here is barely big enough to fit [indiscernible], you can add an attachment to box 12. For any extra required explanation that's necessary, you can add that to box 12.

Finally, box 13 is to ensure that the form is signed and dated by a certifying official, so whoever from the grantee is certifying that the information in this report is true, complete, and accurate to the best of their knowledge should be certifying the SF 425 before it is sent to HUD so that the executive director or CFO or whoever is most familiar with the information in the form, this should be filled out, signed by that authorized official before it's sent to HUD.

So, that's it for the SF 425. Hopefully, that's clear for everybody on exactly how to fill in each box-by-box. I know 10 and 11 can get a little tricky from people who've talked to in the past, but you just want to make sure that the information there for the expenses and the receipts and cash that's been received is all accurate and it agrees to your actual detailed information for the amount that is being expensed and charged to the grant award.

Next, we're going to talk about HUD's 9902. The 9902 reports information on the number of housing counseling clients, their demographic characteristics, the counseling and education services received, and the impacts of counseling. The data collected through this form is critical for accurate measurement, monitoring, and communication of the impact and effectiveness of the housing counseling programs.

Like I said in the beginning, the 9902 is very, very critical for HUD's program operations. They need to know who the actual counseling is being submitted to. Who is actually performing counseling? Where the impact of the counseling is going so that they can monitor the effectiveness of their program, if there needs to be any changes made to the program. They report this information to Congress and to other



stakeholders, so this information is key in order for it to be complete, accurate, and submitted on a timely basis so that HUD can compile this information and monitor and measure their effectiveness of their program.

Let's talk about the methodology of the actual report. The 9902 data is cumulative and based on the fiscal year. This is extremely, extremely important. You're going to hear me mention this a couple of times in the next few slides, but the information, the data in the 9902 should be cumulative.

It should not just be for one quarter. If you are doing your reporting for June 30<sup>th</sup>, it should not just include the clients served from April 1<sup>st</sup> to June 30<sup>th</sup>; it should include the entire fiscal year which is October 1<sup>st</sup> all the way to September 30<sup>th</sup>. So, whatever reporting date you're doing, it should include all the time, all the quarters up until that reporting date. It should include Q1, Q2, Q3, and Q4 depending on which quarter it is you are reporting, but it is very, very important to make sure that the data is cumulative based on the fiscal year.

Also, the count should be by household. A family or a couple is counted as one household regardless of the number of people from that household

that attended the session. So, if a couple attends with two or three of their kids, it should not be counted as four or five people; it should be counted as one household for that single session, so that's very, very important.

The count should also be based on distinct services. So, again, if that household of four or five people attends one first-time homebuyer's workshop, one pre-purchase counseling session, one post-purchase counseling session, that should be counted as three distinct services. So, it should be by household, by distinct services.

On the other side, if that household attends four pre-purchase counseling sessions, that should only be counted as one distinct service on the 9902. So, it's very important to remember how to count and that the form is cumulative.

Just some challenges that we have seen in 9902 reporting. Some agencies are not reporting their quarterly data cumulatively, so again, that is very, very important that the data that is being reported is cumulative. It should not just be one quarter unless it's the first quarter, but continuing on after the first quarter, it should include Q1, Q2, Q3, and Q4. It's very, very important.

Agencies need to ensure that their data is cumulative as the housing counseling system does not verify these totals, so it's very, very important that the agencies make sure that the data is cumulative because the housing counseling system does not have a way to verify the totals. So, we're relying on the agencies in order to report that data accurately and cumulatively.

So, just some other things to note. There was a lower-than-expected reporting in section 10. Agencies reported counseling resulted in a sustainable household budget for only 34% of clients counseled in FY '18. Another thing to note is during FY '18, only 17% of clients reported improvements to their housing situation.

Here is the actual 9902 reporting schedule. This is pulled right off the HUD Exchange website. We have a link in here as well that you can go to it, but this is the report schedule. So, again, I'm going to go through it, and again, the report should be cumulative for that fiscal year.

So, for the first quarter, it covers the period of October 1<sup>st</sup> to December 31<sup>st</sup>. This is due no later than January 31<sup>st</sup>. Typically, the reports are due

about 30 days after the end of the period. It's kind of the reminder that 30 days after the period, the reports are due.

The second quarter covers the period of October 1<sup>st</sup> through to March 30<sup>th</sup>. This report is due no later than April 30<sup>th</sup>. Please includes clients reported in quarter 1 plus new clients served in quarter 2. I'm boing to beat a dead horse with this one, but it should be cumulative. These 9902s should be cumulative, so it should include quarter 1 and quarter 2 for the second quarter reporting.

The third quarter reporting covers the periods of October 1<sup>st</sup> through to June 30<sup>th</sup>. This report is due no later than July 31<sup>st</sup>. Please include clients reported in quarter 2 plus new clients served in quarter 3. Again, the reports should be cumulative up to that date.

Then, finally in the fourth quarter, it covers the period of October 1<sup>st</sup> through to September 30<sup>th</sup> which is the entire fiscal year. This is due no later than December 31<sup>st</sup>, and the final 9902 includes complete year of client data plus the fourth quarter. So, it should include the first quarter clients, second quarter clients, third quarter clients, as well as the fourth

quarter, so it should be all clients served throughout the entire year. It's very, very important that the reports are submitted cumulatively.

Submitting the 9902. Agencies are required to use a HUD-approved client management system that interfaces with the housing counseling system. I believe this is required and approved through your application process and through the grant execution. It should be verified that the CMS system that is being used is approved by HUD and it interfaces with the housing counseling system.

HUD recommends that any agencies experiencing technical issues with their CMS should contact their CMS vendor directly. Do not contact HUD if you are having issues with the interface. Those questions and those issues should go directly to the CMS vendor.

Agencies should only enter their 9902 data in HCS manually if they are experiencing technical issues with their CMS that cannot be resolved prior to the reporting deadline. Again, those reporting deadlines are incredibly crucial to HUD's operations, so if there are any issues, technical issues that you're experiencing where the interface isn't working, only then if it's

going to become an issue with the reporting deadline should they be entered in manually.

Then, we have a link here as well to the actual housing counseling system instructions. On page 11, it provides instructions on how to do a manual submission. So, if you need to do a manual submission, there's a link there to go to see how that's actually performed.

The 9902 resources, so the 9902 toolkit on HUD Exchange published in June 2018 is a very helpful website and toolkit for the best place to go to for helping complete this report. It provides tips and examples for filling out the form. We pulled a lot of the information that we use today off that 9902 toolkit website. It's very, very helpful. It's very, very easy to navigate, so I strongly suggest going on there, reading through some of the stuff to make sure that everything that you're using to complete the report is accurate and complete.

A very, very helpful tool, so I highly suggest using it, and there's a link here as well to take you there. We also included a link to the actual form with the instructions, too, so if you need the form, you need to see the instructions, there's a link there.

The next thing we're going to talk about is the quarterly performance report. The quarterly performance report is the more detailed level report of the actual expenses that are being charged to the grant. That would include the actual salaries, the actual fringe benefits, any travel or materials that have been charged to the award, marketing outreach. This report will contain all of those items to a detailed level.

We're going to go over some of the report requirements that should be included with the report. It should state the grantee's name, address, and the grant number, and again, if you're not sure what the grant number is, you can go onto the actual grant award. It should have the grant number.

The start and end dates of the reporting period, so whatever period that you're reporting for, it should have the start and end dates of that period. So, if it's the second quarter, it should be July 1<sup>st</sup> through March 31<sup>st</sup>.

It should include a detailed accounting of actual costs for each quarter.

The accounting must include the employees' salaries, fringe benefits, and also include the actual staff hours and hourly rates that were determined in order to calculate these salaries and fringe.

It should include any other direct expenses including travel or training or marketing. That should be included as well, and then how indirect costs are calculated as well. So, all that should be included on the actual quarterly performance report.

Please note that any deviations be the itemized accounting and the budget submitted at the grant execution must be approved by HUD. Your HUD POC should approve any changes, so if you had an approved budget that was approved by HUD, and there were any changes to the actual expenses that were determined, then you need to have that budget approved again. That budget should actually equal the amounts that are actually expensed. That is very, very key.

Also, this must be signed by an individual who is authorized to execute the certification of the grantee. So, the same way that we have the SF 425 where the certifying official who was responsible needs to say that this report is true and complete and accurate.

This is what the certification must state. This is the same paragraph from the SF 425 just stating to the best of the person's knowledge, the report is



true, complete, and accurate. For the expenditures this person has cash receipts for the purposes of the federal award.

So, basically what it's saying is that everything in the report is completely, 100% true to the best of their knowledge, and they're certifying that on the actual document.

Let's look at some examples of the actual quarterly performance report so it's clear what it should include and how exactly it should look. So, this is an example of ABC Foundation that we just made up, and their reporting period is 10/1/2018 to 12/31/2018.

So, you'll see below it has the line items that are actually approved in the budget. It has the salaries, fringe benefits, training, travel, marketing and outreach, and then for other direct costs it has supplies. I also has the indirect cost amount that's being charged to the award as well.

It should also include the approved budget, so what the approved budget was for all these line items. You'll see to the right of that, it has the current period expenses. These are expenses that were charged to the

grant in this reporting period. So, for October 1, 2018 to December 31, 2018, these were the current period expenses that were charged.

To the right of that, we have the prior period expenses, so this is any expenses that have been charged to the award in the prior periods, then the cumulative costs to date should be the current period plus any prior period expenses.

We'll note that the cumulative costs to date, that should be what's rolled over into your SF 425. Again, the SF 425 is cumulative, so whatever the costs are to date, the current period, plus any period expenses, that total cost should be rolled over into the SF 425 on line 10(f).

Please, as a reminder, any differences between actual expenses and budgeting expenses need to have explanations. Again, the actual expenses and the approved budget by HUD should be the same; if there are any deviations from that, then another budget needs to be approved, or there needs to be some kind of explanation as to why those changes were made.

This is an example of the staffing summary that should also be included with the quarterly performance report. This report should include the staff

hours and the hourly rates that made up that total salary and fringe amounts.

So, it should have the name of the housing counselors who performed the counseling, their titles, their hourly rates, the rates for their fringe benefits, the total hours that are being charged to the award, and then the calculations to show exactly what costs are being charged, the fringe benefits that are being charged, and then that total cost.

Also, the report must include any cumulative staff hours as well. So, in the current period, you have the hours that are being charged and the costs that are being charged for the current period. It should also include the prior periods as well so that you can display the cumulative amount of hours being charged to the grant award up to that date.

Then, this is an example of the cover sheet that has the certification on it. So, you see this person signed as the authorized official, and it includes that paragraph in it that says by signing this report, to the best of their knowledge, they believe the report is true, complete, and accurate. So, it's very important to have that certification as well.

This is the quarterly reporting schedule. As you will notice, some of the dates on this chart have passed except for the final one which is the last period is the June 30<sup>th</sup>, so in a few weeks, but this chart is pulled right out of the FY '19 grant agreement, so go on further. If you need to know what the actual due dates are for the quarterly performance report, for the SF 425, you can pull up the grant agreement, and in the Article 9 reporting section, it will have the due dates for when each period is due.

Also, grant extensions are outlined in Article 3 of the grant agreement, so if you need to request an extension, if you need more time in doing the reports or more time extending the money left on the grant, you can do a written request to your HUD POC to request an extension.

Again, the date for this one has passed for FY '19 which was March 1, 2020, but again, going into the future references and beyond, you can find in the actual grant agreement what the deadline is for requesting a grant extension.

Note that only the HUD POC is authorized to approve an extension, so that request must be in writing, and then your HUD POC can approve an extension of the period of performance.

The last document we're going to talk about for quarterly reporting is the payment voucher, so again, everybody wants to get paid, everybody wants to get reimbursed for the expenses that they charged. So, all vouchers for grant payments must be submitted to HUD electronically through form HUD-50080-CAC-8, otherwise known as the eLOCCS payment voucher. This voucher will not be paid until it is reviewed and approved by HUD personnel.

Keep in mind all the required quarterly reports are due to HUD, and they cannot approve payment or reimbursement to the grantees until they have all those reports, the SF 425, the 9902, the quarterly performance report. All those reports are due to HUD and must be submitted to HUD before they can approve a voucher to reimburse.

Here is an example of the payment voucher entry. It just includes information about the actual voucher and then the grantee's information. In the actual budget line item, you will put the amount that you're requesting to be reimbursed. The box kind of blocks it out here, but it just kind of has the amount that is being requested to be reimbursed, and it

must include the phone number and signature of the person preparing the report.

All this is done in the actual eLOCCS system, and this is the payment voucher entry that comes up. Again, just to note that this box needs to be signed by whoever is certifying. Ideally, it's the person who prepares this report. It should be different from the person who submits it, so that's just a different kind of control to have in place for someone to prepare the report and then someone to review it to make sure all the information is correct on the payment voucher.

Here are just a few things to keep in mind and the importance of these reporting requirements. In the Housing Counseling Program Handbook, it does state that failure to comply with the recordkeeping and reporting requirements could result in consequences which may include but are not limited to delay in payment vouchers under HUD housing counseling grants.

So, again, HUD POCs cannot approve your payment vouchers until they have all the required quarterly reports. It can be a delay in your payment

of getting reimbursed if you do not submit all the reports timely and accurately.

Also, the grantee's forfeiture of all remaining funds in the grant account. So, if you do not submit all the required reports, HUD be de-obligate or forfeit all the remaining funds that are left on the grant agreement. So, that's another important thing to keep in mind.

The grantee's future housing counseling applications being adversely rated because of this failure, so failure to report the necessary reporting requirements can result in you not being able to receive housing counseling grants in the future and can adversely affect your rating. That's why these reports are very, very critical. Like I said, these reports are critical to HUD, so they cannot continue to let you participate in the actual program if they're not receiving these required documents.

Also, ineligibility for HUD housing counseling training resources, so wonderful training presentations like this one will not be available to you anymore if you do not do the required recordkeeping and reporting requirements. So, for those of you that want to continue receiving these

excellent trainings and be available to you as training resources, you need to continue to report your required reports on a timely basis.

Lastly, placement in an inactive status or termination from the agencies approved or participating status and deletion from the list of HUD-approved and participating agencies. So, again, HUD can just outright put you on inactive status or terminate you from their approved list if you are not submitting the required reports.

Here is a list of all the resources that we used today. I promise we didn't make any of this stuff up. If you need to pull out any of these resources, here are some links for the actual Housing Counseling Program Handbook. Like I said, it gives a great overview of the actual program as well as some specifics for applying for the program and what is required of grantees and subgrantees.

There's a link to the SF 425 financial report. Again, this is a required report, and it is very, very crucial to HUD's operations as well as other agencies. If you are participating in other federal awards, they will also more likely than not require an SF 425 to be completed, so here's a link to that as well, as well as the 9902. Again, the 9902 toolkit link that we put



up earlier, extremely, extremely helpful. That can be found at the HUD Exchange website. Extremely helpful for all your 9902 questions and comments. Finally, we used the FY '19 grant agreement, so that's where all of our resources came from for this presentation.

Appendix A we just have the HUD OSC contacts. If you need to reach out to HUD or send an email regarding any questions, here's the email address again.

I think we might have a couple questions, so I'm going to turn it over to Vanessa. She's going to answer your questions.

Vanessa

Hi. I'm Vanessa McCollum, and several people have submitted questions through the text box. Can you go back to slide number 25? There seems to be a lot of questions on the 9902.

We are more financial experts more than program experts on the 9902. I can only reiterate what Blair already said that the information that you report on the 9902 should be cumulative. If you have other specific questions, I'll have to refer to somebody from HUD. At this time, if I read

off the question, can somebody from HUD answer it, or no, not at this time? We'll have to get back to them.

Virginia

Vanessa, this is Ginger Holman. I think if people have specific questions about how the 9902 works, they should look at the 9902 toolkit that you were talking about because that does go through the form in great detail with the instructions and what the interpretations are. So, as you said, that's not a question for you really to answer.

So, everybody who has a more detailed question on the 9902, please go to the toolkit that's on HUD Exchange, and it should answer most of your questions. Again, as I mentioned at the beginning, if you have a question that has not been answered in that way, send an email to [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov).

Another point I wanted to make, too, in looking at some of these questions, Vanessa, if you don't mind, is everybody needs to realize there's a difference between the 9902 report and the quarterly reports. The dates may be different on those two, so don't confuse it because I think there's some people saying well, we've had an extension on our quarterly report, therefore we should have an extension on your 9902.

No, the 9902 is—regardless of what’s happening with your grant or whether or not you even got one, the 9902 is due on a quarterly basis.

Okay, thank you.

Vanessa

Okay. There was another comment that the slide about the SF 425 does not apply to LHCAs. I just wanted to state that that is correct.

There’s a question—okay, so the other thing that I’m noticing is that there’s questions about quarters five and six in FY ’19. So, the grant year is FY ’19, but the period of performance extends across multiple grant years. So, when you submit your quarterly reports, you would put FY ’19 grant period, and then if there’s an additional quarter, you could use quarter five or quarter six as appropriate. Just make sure you don’t confuse the grant year and the actual fiscal year.

Virginia

Some of these questions that relate to the grant periods are more under are our grant people, so we’ll pass these questions on to what we call OPGA, our grants people, so that they can add them if necessary to their FAQs.

Vanessa                    Then, there's another question about if you've used all your funds for the year, do you need to continue to issue quarterly performance reports. I would say no. Once your funds are used up, you don't need to submit additional quarterly financial reports.

Virginia                   Yes, but you will need to do a quarterly performance report.

Vanessa                   Yes, just not the financial reports. I believe that covered all the questions. I don't see any new questions popping up. So, I will turn it back over to Ginger.

Virginia                   Okay. Thank you, Vanessa and Blair. I think everybody got a lot out of this. As I said, there were a number of questions that really related to grant performance and the grant agreement, so we'll pass that on to the grant people. I think the important thing, as I mentioned, is to remember that there's a difference between the grant performance quarterly report and your 9902. So, learn those, take advantage of all the information that's in the 9902 toolkit and other toolkits that are on HUD Exchange.

Again, thank you for attending. Just as a reminder, this will be posted on HUD Exchange. If you have people that did not watch this, when it gets

posted to our archives, they can log on to the archives, and then through the HUD Exchange system actually get credit for it in HUD Exchange Curriculum. So, pay attention to that. That's another way that they would be able to get credit for taking it.

This is just a screenshot of the page for the Weekly Training Digest where we do post training on a weekly basis both by HUD and OHC and by all our training partners, so be sure to get used to looking at that on a weekly basis.

We've gone through the questions, which thank you very much for all of those. Again, more contact information.

Thank you for attending, and look for your certificate in a couple of days.

Thank you very much. Good-bye.

Moderator

Thank you, ladies and gentlemen. That does conclude our conference for today. Thank you for your participation and for using AT&T Conferencing service. You may now disconnect.