



# Final Transcript

## **HUD: Quarterly Grant Reporting – External**

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### **SPEAKERS**

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### **PRESENTATION**

Moderator                   Ladies and gentlemen, thank you for standing by. Welcome to the Grant Reporting Conference Call. At this time, all participants are in a listen-only mode. Later, there will be time for questions. 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, Blair Clarke.  
Please go ahead.

Blair

Thank you very much. Good afternoon, everyone. Again, my name is Blair Clarke with Allmond and Company. I will be presenting the grant reporting training to you guys today.

We're going to go over a few logistics slides first before we get into the actual content. Just on webinar logistics, note that this audio is being recorded. The playback number along with the PowerPoint and the transcript will be available on the OAC/OCB SharePoint site at the documents, training, internal training, and training documents. Also, an email will be sent out when the materials are available. That usually happens within seven to ten days.

Also, the handouts were sent out prior to the webinar. They are also available in the control panel. If you click on the document name, it should download them so that you could follow along.

As far as questions and comments, if we have time we'll go over questions and comments later. We'll have an open discussion period if possible, but make sure your phones are muted during the presentation and unmuted whenever the Q&A period comes. Some other ways to ask questions, please submit your questions in the text box using the questions panel. I

have my colleague here, Vanessa. She will be answering your questions on the control panel, so this is probably the best way to ask questions. Then, we'll be answering them throughout the presentation. At the end, if there are any questions, we'll go over those at the end of the presentation as well.

If you don't have a comment or question now and come up with something later that you want to ask, you can also email your question to [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov). Make sure you put the topic of the webinar in the subject line. You can ask your question there, and we'll make sure it gets to the correct people.

Also, for a certificate of training, if you logged into today's webinar you should receive a certificate of training from GoToWebinar within the next 48 hours. Make sure you print that out and save it for your records.

All right, again, welcome to the Grant Reporting Training. Again, my name is Blair Clarke. Today's topic, Grant Reporting is an extremely, extremely important topic we're going to discuss today. Knowing the reporting requirements for your grant agreement and all of the reports that

are required to be submitted is extremely, extremely important for all grantees and subgrantees to know and understand.

Bottom line, you cannot draw down your grant funds if you have not submitted all of the required reports. It's very, very important that everyone meet the reporting requirements and submit the required reports because if you submit your grant request drawdown, HUD will not be able to approve your drawdown request until you have submitted all of the required reports. It's very, very important that everyone understands what those reports are, where to find those reporting requirements, what the actual reports entail, and the elements that need to be included in all of the reports. It's very, very important, so we're going to talk about those today so that everyone is clear on how to fill out these forms, what should be included, and where to find the information.

Let's take a look at our agenda for today. Again, we'll go through a quick introduction of everyone involved in the training. We'll talk about the course objective and what we hope for you to learn from this training course today. We'll talk about the standards for grant reporting and what authoritative guidance sets those standards. For the housing counseling program, it will be the Housing Counseling Handbook that sets the

authoritative guidance for all participating agencies to submit certain reports to HUD.

We're also going to look at the FY 2020 grant agreement and what the reporting requirements say in the grant agreement. The grant agreement gives additional details on what exactly is required to be reported to HUD, what documents are required, what certain elements are required to be reported by all grantees and all subgrantees.

Then we're going to look at the required reports. We're going to look at the SF-425 Federal Financial Report, which is a summary report that is required to be submitted by all intermediaries, state housing finance agencies. Any pass-through entities that have subgrantees are required to submit an SF-425. This basically summarizes the expenses for all of the subgrantees and the grantee itself to give an overall overview of all of the expenses that have been charged to the grant. We're going to look at the SF-425; we're going to go through it line-by-line so that it is clear on how exactly to fill out the SF-425 correctly.

We're also going to look at the HUD 9902 report as well. This is extremely important to the Office of Housing Counseling. The 9902

reports data on the clients that the agencies are serving, as well as the demographic of those clients. The 9902 data really reports how effective and how impactful the housing counseling program is. The Office of Housing Counseling is really relying on the agencies and the subgrantees to submit accurate, complete data on who actually you are serving and how many clients are being served so that they can measure and monitor how effective their program is. It's very, very important that everyone properly fill out the 9902, and everyone submits it on a timely basis as well.

Next, we're going to look at the Itemized Expense Report. One of the requirements in the grant agreement is for all grantees and subgrantees to submit an Itemized Expense Report. This actually details the line items that are being charged to the grant. It details the actual expenses that are being charged; whether it's salaries, fringe benefits, marketing, training, travel, this will actually give detail as to how much has been spent for each line item.

Then finally, we'll go over the quickly the eLOCCS payment voucher. Once you've submitted all of your grant activity reports, you will be able to submit your drawdown request in the eLOCCS system.

Again, for introductions, my name is Blair Clarke with Allmond and Company. Vanessa McCollum is with me here as well. She'll be answering your questions in the text box on the GoToWebinar panel, so make sure you ask any questions on there.

Let's take a look at our course objectives. After completing this course, the learner should be able to identify the regulations related to grant reporting. We're going to go over what are the actual regulations that require all of the participating agencies to submit grant reports. We're going to look at the Housing Counseling Program Handbook as well as the 2020 Grant Agreement to see what the regulations are for grant reporting.

We also want you to be able to identify the required documents and forms that should be reported to HUD's Office of Housing Counseling.

Everyone should be able to identify and know exactly what documents, exactly what forms are required to be submitted to your HUD POC.

Everyone should be able to properly prepare and report each form. We're going to go over some actual forms line-by-line and describe exactly what should be filled into those reports so that everyone knows how to properly prepare each report and each form.

Let's start with a little bit of background. HUD's Housing Counseling Program Handbook Section 5-11 states that reports to HUD, participating agencies must submit complete, accurate, and timely activity reports. The reports must be submitted in the format by the date and in the manner prescribed by HUD. Participating agencies that are also recipients of HUD grants or subgrants may be required to submit additional reports as described in their grant agreements and prescribed by HUD.

All right, so this is the over-arching authority, noting that if you are participating in the Housing Counseling program, you are required to submit reports to HUD in complete, accurate, and timely activity reports. It also states that there is going to be additional reporting requirements in the grant agreement. Each year you are participating in the housing counseling program, read through your grant agreement to see exactly what the reporting requirements are in the grant agreement. It's very, very important that everyone knows where to find those reporting requirements.

Let's take a look at what the grant agreement has to say. The FY 2020 Housing Counseling Program Grant Agreement Article 8, Conduct of Work states that grantees shall submit all reports or other materials to their



HUD POC. Whenever you need to submit any reports or any information to HUD, you will go through your HUD POC.

Article 9 gives the reporting of additional details on the reporting requirements. We're going to take a look at Article 9. Everyone should be familiar with what Article 9 is and the reporting requirements that are stated in Article 9. That's what we're going to focus a lot on today.

The FY 2020 Grant Agreement Article 9 Reporting states that grantees must submit grant activity reports in conjunction with each drawdown request. Grantees managing a network must submit the following information for each subgrantee. Grantees that provide counseling services at their main office must submit a separate report for their main office.

This is the first paragraph in that section. It is letting you know that in order to draw down your grant funds, you must submit grant activity reports, also known as GARs. Again, this is a little different in prior years from FY 19. These reports used to be due quarterly. However, they are no longer due quarterly; they are only due whenever you submit your drawdown request. When you request your drawdown, make sure that

you submit your grant activity reports as well. Your drawdown request will not be approved until you have submitted your grant activity reports and until your grant activity reports have been approved. It's very, very important for all grantees and subgrantees to submit those correct reports.

Let's take a look at what those grant activity reports actually entail.

There's a long section in that Article 9 reporting section that describes all the necessary requirements. We're going to focus mostly on the financial related reports today. Since we are CPAs and finance is more our background, we're going to focus mostly on the financial aspects.

The first one is the Form SF-425, which is the Federal Financial Report. This report summarizes financial data, including program income and expenses for each quarter. Note that these are only required for intermediaries, state housing finance agencies, and multi-state organizations only. Any pass-through entities that have subgrantees or subgrants, SF-425 is required for those. If you are a local housing counseling agency, an SF-425 is not required for you, but for the intermediaries and pass-through entities, you must submit an SF-425.

The 425 summarizes all the data from your subgrantees' expenses, from the grantees' expenses into one form. Also note that this form is cumulative as well, so as of date of the report, it should be all of the expenses incurred as of that date, not just the activity from one quarter, but it should be all of the activity from the entire grant year.

If you are not familiar with this form and don't have a copy of it, we've provided a link as well so that you can go on the website and pull the link. The SF-425 is a standard form across the entire federal government. This is a link to the SF-425, if you need a copy.

The next element of grant activity report is the HUD 9902, which is the Housing Counseling Agency Activity Report. This reports critical fiscal year-to-date information about housing counseling activity. Again, this information is incredibly important to HUD. This reports the actual demographics and characteristics of the clients that the agencies are counseling. That information is extremely important so that HUD can monitor and determine the effectiveness of the program, so it's very, very important that everyone report their 9902 data.

Note that the SF-425 and the other reports we're going to go over today, they are not required to be submitted quarterly anymore, only with your drawdown request. But the HUD Form 9902 is still required to be submitted quarterly. We're going to look at the dates in a second, but the HUD 9902 report is required to be submitted quarterly, whether you are submitting your grant drawdown requests quarterly, your 9902 data is still required to be submitted on a quarterly basis.

Next element of the grant activity reports we're going to discuss today is the Itemized Expense Report. This report details grantee and subgrantee information related to the eligible grant expenses. This actually details and outlines all of the expenses that are being charged to the housing counseling grant, so how much is being charged for supplies, how much is being charged for salaries, how much is being charged for fringe, how much is being charged for travel, rent. Whatever line items you are charging to the award, this will detail those expenses.

Also should be included in your itemized expense report are the staff hours and the staff hourly rates. These are required per the grant agreement to be included with your itemized expense report. Any salaries or fringe that are being charged to the grant award should come with some

hours and the hourly rate for that counselor or that employee. We'll look at a detailed itemized expense report later so that everyone could see exactly what it looks like.

Then finally, the eLOCCS payment voucher. This is the request for grant payments that is electronically submitted through the eLOCCS system. Once you have submitted all your grant activity reports, you can submit your drawdown request as well. Once HUD approves all your grant activity reports, they will be able to approve your drawdown request so you can receive your funding. All of that should go through the eLOCCS payment system.

Let's take a look at some of the actual reports and go through each one of them in more detail. The first one we're going to look at is the SF-425, which again is the Federal Financial Report.

The first box is the federal agency and organization to which this report is being submitted. That one's pretty easy; it's submitting it to the HUD Office of Housing Counseling, so that should go into Box 1.

Box 2 is the grant number. This grant number is assigned to you by HUD. If you are not familiar with what your grant number is, you can look at your HUD 1044. The grant number is on the HUD 1044. I think it's somewhere at the top; it's like Box 3. It starts with HC, and then it has the fiscal year. If it's a 2020 grant, it starts HC20, and then a numerical sequence after that. So your grant number should go into Box 2.

Boxes 3 through 5 should be completed with the grantee information, so your organization name, address, your DUNS number, your tax EIN number. All of that information is to go into Boxes 3 through 5.

Box 6 will be the appropriate report type. Again, these reports are not required to be submitted quarterly anymore, but for agencies that are still reporting quarterly, you want to check off whether your report is quarterly or not. Also, there's the final report. If you expensed all of your grant funds, if this is the last report that you're going to be submitting, you want to check off that this is the final report.

Then Boxes 7 through 9 should be filled out with the appropriate grant information, so what basis of accounting you are using, if you're using a cash basis of accounting or on an accrual basis of accounting? What is the

grant project period? That's the period of performance of the grant.

Again, if you're not sure what the period of performance of your grant is, you can check that HUD 1044. It should have the period of performance of the grant. If it's FY 20 grant, most of the period of performance for the FY 20 grant began October 1, 2019 and ended March 31, 2021.

Then, Box 9 is the reporting period end date. What is the end date of this report? If it is December 31<sup>st</sup> or is September 30<sup>th</sup>, whatever the end date of your SF-425 is that you are reporting.

Now, let's go into Box 10. Box 10 is where you will actually detail the expenses and the activity that has been performed on the grant award.

Let's take a look at our first section, Federal Cash; Box 10a is cash receipts. This will be the cumulative amount of cash received. If you have previously drawn down any of the funds on the grant award, this amount will go into cash receipts. If this is your first SF-425 that you are submitting and you haven't previously drawn any funds, then this amount should be zero.

Any funds that you have already received on the award and you have drawn down should go into Box 10a. Again, this report is cumulative.

It's not just the activity from one quarter; if you are presenting your second quarter SF-425, it shouldn't just be the activity from the second quarter. It should be activity from the first quarter and the second quarter—it should be cumulative.

Box 10b is the cumulative amount of federal funds dispersed, so how much disbursements have you made on the grant of the expenses that you have incurred? How much disbursements have you made to your subgrantees for the expenses that they have incurred? That should go into the cash disbursements line, Box 10b.

Also note that your cash disbursements, because this is a reimbursable grant, your cash disbursements should not be less than your cash receipts. Your cash disbursements should not be less than your cash receipts. You should have more cash disbursements than you have cash receipts. So that Line C where it says "Cash on hand is Line A minus B," that amount should be negative. You should have more disbursements than you receive. This grant is reimbursable. You should already be disbursing your funds and HUD should be reimbursing you that money. So your cash on hand line should either be zero or it should be negative. That's very, very important.



The next section, federal expenditures and unobligated balance. So your Box 10 is your federal funds authorized. This is the total amount of your grant award. Again, if you are not familiar with what your grant award is, then you can look at your HUD 1044. It has a total amount of your grant award. That's what should be going to Box 10D.

Box 10E is the total grant year to date expenditures. So how much expenses have been charged to the grants as of this reporting period? How much have subgrantees expenses been charged to the grant? How much have the grantee expenses been charged to the grant? Again, a cumulative amount, not just the activity from this period but a cumulative amount across the total life of the grant. What are the total amount of expenditures that have been charged to the grant?

Line F is the federal share of un-liquidated obligations. This is pretty rare. I usually see this as being zero, but if you have any expenses that have been incurred and not yet been recorded, they will go into Line F. Line G is a total so that would be the total amounts of Line E and F. So that should reflect the total amount of expenditures charged to the award for a sub-grantee and the grantee itself the total amount of expenses that have been charged to the award to the date of the grant award.

Line H is also a calculated balance. That is your Line D minus Line G.

So it is the total amount of the grant award minus your total amount of expenses. So that should be what is remaining on your grant award.

Also note that this amount should not be negative. This amount should either be zero or it should be positive. You should not be expensing more than you are authorized to use. Very important.

The next two sections are typically not applicable to the Housing Counseling program. Recipient shares are just any matching requirements that are up there but the HUD Housing Counseling program doesn't have matching requirements. For program income that would be any program income that is charged to the federal award. Again, that's usually zero as well.

The next section, Box 11. That should be the indirect expenses that are being charged to the grant. So for Box 11 you want to make clear what indirect cost is being charged to the grant.

So for 11a you want to put the type of indirect cost. Are you using the 10% de minimis? Is there a NICRA in place? That's where you will

identify whether it's 10% de minimis or you're using a NICRA or your subgrantees are using a NICRA. So Box 11a will be the type of the indirect expense. Box 11b will be their actual rate. So if you're using a de minimis you would put 10% into Box B. If you're using the NICRA, whatever your approved rate is will go into Box B.

Box 11c, the period from and period to. So what is the effective date of your NICRA? When is your NICRA effective? So that date should go into there. If you are using the de minimis, I would suggest using the period performance of the grant.

Box D will be your base, so the base of how you determined your indirect cost. What is your total direct cost that you use to determine how much indirect cost you should charge? So Box D should be the total amount of direct cost times the rate that you have established, and that should equal to Boxes E and F of how much your indirect cost is.

Box D should be your base. What did you determine was your direct cost in order to determine your indirect cost? And then your total indirect cost expenses go into Boxes E and F, and then G will be the total if you have more than one.

For any grantees that have multiple subgrantees that use the de minimis rate, I would just include the totals of all the subgrantees that are using de minimis on one line. But if you have multiple subgrantees that are using the NICRAs in different NICRAs, you can use an attachment to this SF-425 and it has like a spreadsheet listing out all the subgrantees that have different NICRAs and the rates and bases that they're using to charge indirect costs.

Then finally Box 13. Box 13 is the certification. So there's a paragraph here that is noting to the best of your knowledge and belief the report is true, complete and accurate. So whoever you're authorizing official is for your agency, whether that's the executive director or CFO or housing counseling director, they should verify and sign this report certifying that the report is true and the report's complete and accurate.

So that covers the SF-425. Hopefully that was clear, -4 going through box by box what exactly should be filled out in the SF-425. I have seen some SF-425s incorrectly filled out, so it's very, very important to make sure that you fill out these boxes with the correct information.

But next let's look at the HUD 9902. So the HUD 9902 reports information on the number of housing counseling clients, their demographic characteristics, the counseling and education services received and the impacts of counseling. So again, these reports are very, very important to HUD. The data collected through this form is critical for accurate measurement, monitoring and communication of the impact and effectiveness of the housing counseling program.

So the Office of Housing Counseling uses these 9902 reports, uses the data in the 9902 to determine and monitor how impactful their program is. Is it reaching the right people? Who is the program reaching? So the information is very, very important in this 9902. HUD is relying on the agencies and subgrantees to submit accurate and complete 9902 reports.

Let's look at completing a 9902 and the methodology behind completing the 9902 report. The 9902 data is cumulative based on the fiscal year. So again, it's not just the activity from one quarter or one period. It should be the cumulative data based on the fiscal year. That is HUD's fiscal year, not your agency's fiscal year.

So HUD's fiscal year, it starts October 1<sup>st</sup> and ends September 30<sup>th</sup>. So it's based on HUD's fiscal year, not your agency's fiscal year and not the calendar year. HUD's fiscal year is October 1<sup>st</sup> through to September 30<sup>th</sup>. So your 9902 data should be cumulative based on HUD's fiscal year.

Also the count should be by household. A family or couple is counted as one household regardless of the number of people from that household attend a single session. So if a couple attends a session and they bring two kids with them that does not count as four people or as four counts in the 9902. It only counts as one per household. So it's very, very important you measure and know how to exactly count the info going into the 9902.

The count should also be based on distinct services as well. So for example, if a household attends one first-time homebuyer's workshop, one pre-purchase counseling session and one post-purchase counseling session, that counts as three distinct services on the 9902. On the other side, if a household attends four pre-purchase counseling sessions, that only counts as one distinct service on the 9902. So count should be by household by the distinct services.

Let's look at our reporting schedule. Like I said before, the grant activity reports that we're going to talk about today are required to be submitted when you request your grant drawdown. But the 9902 report is still required to be submitted quarterly. The other reports are no longer required to be submitted quarterly, but the 9902 report is still required to be submitted on a quarterly basis.

So let's take a look at the reporting schedule. So for the first quarter—again, this is HUD's fiscal year, not your agency's fiscal year—we have the period covered of October 1, 2020 through December 31, 2020. So this is the first quarter of Fiscal Year '21.

So the due date for first quarter 9902 data is due no later than January 31<sup>st</sup>. You have about 30 days to submit your 9902 data into the ACS. Second quarter. The second quarter covers the period of October 1<sup>st</sup> through to March 31<sup>st</sup>. Again, note it should be cumulative. This is cumulative data. It should not just be the activity from the second quarter. It should include the activity from the first quarter and the second quarter. So if you service one client in first quarter and two clients in the second quarter, your 9902 shouldn't just report two for the second quarter, it should report three. It should include the first quarter activity and the second quarter activity.

The 9902 data is cumulative. The second quarter due date is April 30<sup>th</sup>.

So again you have about 30 days after the end of the quarter to submit your 9902 data.

Next one, third quarter. Again, the period covered is October 1<sup>st</sup> through to June 30<sup>th</sup>. Again, not just the activity from the third quarter. It should be cumulative. I know you guys are getting sick of hearing me say it, but I want to make sure it hits home and everyone understands that this report should be cumulative, not just the activity from the third quarter. The activity is from the beginning of the fiscal year all the way to the end of the quarter. The June 30<sup>th</sup> due date is due no later than July 31<sup>st</sup>. Again, 30 days after the end of the quarter.

Then finally, the fourth quarter should cover the entire fiscal year, so October 1<sup>st</sup> through to September 30<sup>th</sup>. It should include the client service in Q1, Q2 and Q3 and Q4. So the entire fiscal year. Again, HUD's fiscal year, not your agency's fiscal year.

Then finally, the fourth quarter is due no later than December 31<sup>st</sup>, so you get a couple more days to finish the fourth quarter one as opposed to the 30 days for the other quarter. So the last quarter is due on December 31<sup>st</sup>.



Now this is the reporting schedule for FY '21. If you need to know what the reporting schedule is going forward, you can check the HUD Exchange link that's at the bottom. It updates every year for the reporting requirements for that fiscal year.

As far as submitting the 9902, agencies are required to use a HUD approved client management system that interfaces with ACS, with the housing counseling system. If you are experiencing any technical issues with your CMS, HUD recommends contacting your CMS vendor directly. Do not contact HUD if you are having issues. Contact your CMS vendor directly if you are having any technical issues with your client management system.

Also note that agencies should only enter their 9902 data manually if they are experiencing technical issues with their CMS that cannot be resolved prior to the reporting deadline. Again, note that just because you are having technical issues it does not excuse you from submitting your 9902 data on time.

Again, the 9902 data is still required to be submitted quarterly on a quarterly basis and there are due dates for when they must be submitted.

So just because you are having technical issues does not excuse you from submitting your 9902 data as of that reporting deadline.

If you need some instructions, the housing counseling system instructions on page 11 provide some additional instructions on how to manually submit your 9902 data. So there's a link there if you need it. Also you can use the 9902 toolkit on the HUD Exchange. I highly recommend browsing through the 9902 toolkit. It is the best place to go for help with completing this report.

If you're not sure how to fill this out, how to complete it, your 9902 toolkit is the best place to go. It explores the 9902 section by section and provides users with tips and examples for filling out the form. Again, so the 9902 is more performance-related. Our background is more financial-related, but the 9902 toolkit on that website is very, very helpful. We did our research on there and it was extremely helpful for making this presentation. So hopefully everyone is familiar with the toolkit, and go in there if you have any additional questions.

For our next requirement of the grant activity reports we're going to talk about the itemized expense report. So the itemized expense report is

extremely, extremely crucial to submitting your grant activity reports. A lot of the elements that are required in that Article 9 section of the grant agreement for reporting, the grant activity reports are covered mostly in the itemized expense report. So a lot of the information that is required to be submitted is in your itemized expense report.

Let's look through some of the requirements. So some of the requirements are the grantee's name, address, the grant number, the start and end date of the reporting period, the actual itemized accounting and actual expenses being incurred for each quarter.

The accounting should include your employee salaries, how much is being charged for employee salary for each quarter? How much is being charged for fringe benefits? Are there any other benefits being charged to the grant award? You want to detail it and outline what exactly is being charged for each expense. If you are charging salaries and fringe to the award, which I know most people are, make sure you include the actual staff hours and the hourly rates. That is a requirement for the grant activity reports.

In the grant agreement Article 11 it states that you must include the staff hours and the hourly rates of any counselors being charged to the grant award. Also you should include any other direct expenses. So if you are charging travel, training, marketing and outreach, supplies, rents, any direct expenses that you are charging to the grant award need to be detailed on how much is being charged for that line item in your itemized expense report.

Then finally, if you are charging indirect costs to the grant award you should also include that as well in your itemized expense report. If you're using the 10% de minimis you want to state that. How much percentages are you using? If you're using a NICRA, how much is the NICRA for? It should be easily recalculated to see how you got to the indirect cost.

Your HUD POC should not have to reach out and say how did you get to this indirect cost amount? They are having trouble recalculating it. It should be clear as to this is what the direct expenses are. We multiply at this rate and we arrive at our indirect cost expense. That should be clear in your itemized expense report.

Also note that any deviations between the itemized accounting and the budget submitted at grant execution must be approved by your HUD POC. So at your grant execution stage you submitted a budget and that budget was approved by your HUD POC. If you have any deviations from that budget, if you need to change your budget or revise your budget, you should submit that to your HUD POC for approval.

So you're at the end of the grant expenses. All your expenses should be equal to your budget. If they are not, you need to submit an updated budget and have it approved by your HUD POC.

Then finally, it must be signed by an individual who is authorized to execute the certification on behalf of the grantee. So similar to the SF-425 there is a paragraph that should be added. This paragraph comes straight from the grant agreement from Article 11 stating that this paragraph is saying that to the best of your knowledge the report is true, accurate and complete. This paragraph should be included with your itemized expense report and signed off by an authorized official. Whoever that authorized official is, the executive director, the CFO, housing director, whoever that authorized official is should certify saying that to the best of their

knowledge the information on this report is correct and is not false, fictitious or misleading.

So let's take a look at a sample of an itemized expense report. The example we have here, it is a template that we use but it does not have to exactly look like this. Most of the itemized expense reports I see all look different, so it doesn't exactly have to look like this. This is just a format we use. But it does need to include all of these elements. So it's important that however format or spreadsheet you're using is fine, but make sure it includes all the necessary elements.

So we have at the top, we have the grantee name and the reporting period of the date of this report. If you look down below we have the line items that are being charged to the grant. So we have the salaries, fringe benefits, travel, training, marketing and outreach and other direct cost supplies.

Please note that if you have other direct costs as one of your line items you have to give more explanation as to what other direct cost entails. Okay. Just having other or other direct costs is not acceptable. You must explain what those other direct costs are. So in this case it's supplies.

Also we have the indirect costs there. So if you have a de minimis, you want to make them aware that you're using a de minimis rate. If you have a NICRA—so see what exactly the NICRA rate is. So that should be included in that line.

Going across we have the approved budget. So again, whatever your approved budget was during grant execution or if you have a revised approved budget, those amounts should go into here. We have the current period and prior period expenses in there. I've also seen it drawn out where it just has Q1, Q2, Q3, so forth. You could do it that way as well, whatever way is fine with you. But you want to see what the current period expenses are and what the expenses are cumulative to date.

So you want to see what all the expenses are have been charged across the life of the grant.

Then the last column us just the balance remaining, so that's the difference between the cumulative cost to date and the approved budget. So we want to see what is remaining for each line item as of the date of this report.

Also again, a reminder that your actual and budget expenses need to agree. If they do not agree then you are required to get an approved budget from

your HUD POC. Any differences or negative budget variances will need explanations.

Also required to be submitted with your itemized expense report is a staffing summary. So again, in the grant agreement it states that the staff hours and the staff hourly rates are required to be included with your itemized expense report.

So you see here we have the staff name, the staff title. We have the hourly rate for salaries. We also have the hourly rate for fringe. If you don't use your fringe benefits that way, that's fine. You can include your fringe benefit rate percentage in this report as well. And then we have the total hours that are being charged for each employee. This information is required to be submitted. It is a part of the grant agreement that the hourly rates and the hours charged to the award are included in your report. These costs will agree to the costs on your itemized expense report, so your detailed expenses.

So the hours calculated for salary, that should roll over to what's being calculated here. The hourly rates and totals for your fringe, that should be carried over to what you're charging for fringe benefits. Those amounts



should be easily calculated. We should be able to recalculate those balances. You should be able to take the hourly rates, multiply it by the hours charged and get to the salary expenses that you are charging in your itemized expense report. They should be easily recalculated. It's very important.

Also note that the report must be cumulative staff hours. So you can break it down to the hours charged per quarter, per period but you want to make sure you include the cumulative amount of hours that is being charged over the entire grant.

Then finally we have our cover sheet. The cover sheet again includes a lot of the requirements that are in your grant agreement that have to be reported with your grant activity reports. So you have the grantee name, the grantee address, the grant number. Again, it should start HC. If you're not familiar with it, it should be on the 1044, your HUD Form 1044. We have the grant period of performance and then the current reporting period. So all that should be included.

Then again we have the signature, the certification statement. That certification statement is in the grant agreement. If you're not sure what

you're supposed to be saying in the certification statement, you can go to your grant agreement for Article 11 and copy and paste that into this report and sign off on it saying that you certify that this report is true, complete and accurate but that comes directly from your grant agreement.

So a few things to note for the FY '20 grant reporting. Again, unlike FY '19 the FY 2020 grant agreement does not require specific due dates for the grant activity reports. In the past, in 2019 and before there were specific due dates for each quarterly report. That is no longer the case. These reports are only required to be submitted when you submit your drawdown request.

I know everyone wants to get paid, so I know there shouldn't be any problem submitting drawdown requests, but when you submit your drawdown request you should be submitting your grant activity reports as well. Again to note, the 9902 data is still required to be submitted quarterly. There are still due dates for the 9902 data, the 9902 report.

Your grant activity reports, like your SF-425, your itemized expense reports, those are only required to be submitted with your grant drawdown request. The 9902 data however is still required to be submitted quarterly.

We went over those due dates earlier so hopefully everyone remembers that.

Then again, the final report is due 120 calendar days after the period of performance end date. So once your period performance or your grant ends, you have 120 calendar days to submit your final reports. That guidance actually comes from the Uniform Guidance, not from the grant agreement but from the Uniform Guidance from OMB that you have 120 days after the end of the period of performance to submit your final reports. So period of performance ended for FY '20 is March 31, '21, so we're still in that 120-day window, so hopefully everyone can submit their grant activity reports and submit their drawdown requests and get approved by the end of the 120 days.

As far as grant extensions go, if you need to extend the period of performance on your grant that is outlined in Article 3 of the grant agreement. The extension for the period of performance must be requested in writing no later than March 1, 2021. Obviously that date has passed but going forward in the future, if you need to see when the period of performance deadline is for an extension, Article 3 of the grant agreement is a good place to go so you can see exactly when that

extension needs to be requested. And only your HUD POC can authorize to approve your extension. So submit a written request to your HUD POC and they will authorize whether you can extend the period of performance of your grant or not.

The last thing we're going to look at today is the eLOCCS payment voucher. Unfortunately we do not actually have access to the eLOCCS system, so if you need help actually going to step by step through the eLOCCS system, you have to reach out to your HUD POC for that. But for all grant payments and grant drawdown requests, they should be submitted electronically through the eLOCCS payment system.

Note that your voucher will not be paid until it is reviewed and approved by our HUD personnel. Your HUD POC will review and approve your grant drawdown request in the eLOCCS system, and again they cannot approve your grant drawdown request until you have submitted all your grant activity reports and you completed your 9902 reports as well. So, all those reporting requirements must be fulfilled in order for HUD to approve your drawdown request.

Here's an example of the printed version of what it looks like. This is a sample of the payment voucher entry. Just a reminder, make sure you include the preparer's telephone number in Box 11 so that if they need to be contacted to make any corrections. And note that the person who signs Box 11 needs to be different from the person who signs Box 12, actually certifying that their drawdown request is being submitted. This is just a segregation of duties so the preparer is different from the reviewer.

As we wrap up today, just a few things I want everyone to keep in mind. HUD Housing Counseling's Program Handbook Section 5-13 states that failure to comply with recordkeeping and reporting requirements could result in consequences which may include but are not limited to a delay in payment of vouchers under HUD's housing counseling grant. So again, there could be delays if you are submitting grant drawdown requests but you haven't submitted all your grant activity reports, you haven't submitted your 9902 data, that could result in a delay of approval of your payment voucher. So, make sure you have all the appropriate reporting requirements done so that there is no delay and you can get paid when you need to get repaid.

Also the grantee's forfeiture of all remaining funds in the grant count. So, any funds that have not been used you could potentially forfeit those funds if you do not comply with all the reporting requirements. Similar to OMBs 120 days after the period of performance, if you don't submit audit-required documents by that 120 days, there is a possibility that you forfeit the remaining funds on the grant award.

Also the grantee's future housing counseling grant applications being adversely rated because of this failure. Again, the reporting requirements are extremely important. Just as important as you actually performing the housing counseling activities and counseling the members of your community, it's important to report on those as well. So, not following the reporting requirements could result in an adverse rating and it affects your ability to get future grant applications processed.

Also ineligibility for HUD housing counseling training resources. So, you may be deemed ineligible to receive great and wonderful trainings like this. I know you all love hearing my voice and love hearing me talk about regulations and the uniform guidance over and over again but if you do not follow the reporting requirements you will be deemed no longer eligible to receive these training resources.

And then finally placement in inactive status or termination of the agency's approved or participating status and deletion from the list of HUD approved and participating agencies. So again, if you don't follow the reporting requirements, you can just be placed outright inactive or terminated from the approved list. So, no one wants that. Everyone wants to continue reporting or participating in the housing counseling program so make sure that you are compliant with the reporting requirements.

Here are some references that we used today. I promise you we didn't make any of this stuff up. If you guys are participating in the housing counseling program, it is extremely important that you familiarize yourself with the Housing Counseling Program Handbook. So, here's a link to the program handbook, if you don't already have a copy.

Again, for the SF-425, that is required for all parent agencies, all intermediaries and pass-through entities are required to submit an SF-425. So, there's a link for that if you do not already have a copy.

The 9902 online toolkit is a great resource to go for any and all questions related to the 9902. So, I strongly suggest going on there. There's a link to that as well if you need help with your 9902 reporting.

And then, we used the FY2020 grant agreement. Everyone should be familiar with the 2020 grant agreement. Make sure you read through it. Make sure you understand what is in it. I know everyone finds it but everyone is not exactly reading through it. But, make sure that you are familiar with what is in your grant agreement.

Now, I'll turn it over to Vanessa to answer your questions that you submitted in the text box.

Vanessa

Hi. I'm Vanessa McCollum, and we have a few questions in the text box that I will go over rather quickly.

First of all, a few people asked about approved expenses or what types of expenses are allowed. Last month we did an allowable/unallowable expense training and that should be available on the HUD website.

The other question that I have—Blair, can you go to slide 33? Somebody asked about intermediary expenses. So in our example or sample report, usually the items that are shown with the salaries, fringe, etc., those are usually for the intermediary or the main grantee. If you have subgrantees,



usually the agencies or the intermediaries will insert rows and show a total cost for each intermediary.

Go to the next slide. And so where it has the staffing summary, usually the staffing summary is for the intermediary staff. But I just wanted to point out that you should have all the details shown on both of these two slides for each one of your subgrantees. So when requested, you should be able to provide HUD with the information for any one of your subgrantees, what their salaries were, what their hours were, what their hourly rates were, if they charged any other expenses other than salaries, if they charged fringe, or training. You should have that detailed information. But for the intermediary who is submitting the report, it is okay for you to just show one line item for each sub-grantee.

I'm looking at the questions now. There's a question about PARs and time sheets but that also is a separate training.

Somebody is asking about the quarterly report template. The grant agreement says that you can submit your expenses in the format that you wish. We do have a template available. It is not required that you use that template. It's just that our template does have all the information that's

required so if you choose to use a different format, you just have to make sure that your format meets all the requirements that are outlined in Section 11.

Somebody asked how you access our template. Tracy, can you verify whether or not that's available on the HUD website?

Tracy Repeat the question, Vanessa.

Vanessa The quarterly report template, do you know if that's available on the HUD website or do they need to—

Tracy It may be somewhere on the website—I don't think it is. You usually get it through your point of contact.

Vanessa Okay. If someone needs the template or they would like to see the template, you can request it from your HUD point of contact.

I'm going to turn it back over to Blair.

Blair

Thank you, Vanessa. Thank you, Tracy, as well. Hopefully everyone's question is answered. Hopefully everyone enjoyed and learned something from today as well.

Just a few logistic slides at the end to go over before we wrap up the training. Again, a certificate of training, if you logged into today's webinar, you will receive a certificate of training from GoToWebinar within the next 48 hours. Make sure you print that out and save it for your records as proof that you attended this training. It says now you are expert after listening to me talk about this.

For training archives, like Vanessa said, the webinar materials will be posted to the HUD Exchange in the webinar archive. We have done previous trainings over the last year or so, so if you want to visit some of those old trainings, you can actually go the archive and pull the transcript and the materials from that training. So, last month we did an allowable/unallowable costs. We also covered the time and attendance rules and the documentation that's required for salaries and fringes. So, that information is all available on the HUD Exchange. You can find it by date or by topic, and you can also obtain credit for that as well. So you would just select the webinar and then click Get Credit for This Training.

Also, check out the Housing Counseling Training Digest on the HUD Exchange. It gives some information about upcoming trainings as well as past trainings. And so, it's a good read if you want to know more about the training that the Housing Counseling Office provides for HUD as well as other partners as well.

And then finally before you go, we would love to get some feedback. Let us know if the webinar was useful to you. Will it be useful to your clients? Will you share this information with your coworkers? If you have any other comments, we're always looking to make these presentations better and more informative so if you have any recommendations, if you're just tired of hearing my voice, then please just let know. Any feedback is incredibly helpful. So before we shut down the webinar, I just want to point that out as well.

Here are some links if you need to contact the Office of Housing Counseling. Again, if you have any questions that you think of later, outside of this webinar, you can email it to us at [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov). Just make sure you include the subject of the training in the subject line so that it can get to the proper people to

answer your question. But check out some of these other links from the Office of Housing Counseling as well.

That is all from me today. Thank you all for attending. I appreciate your time and listening in. Again, hopefully this was helpful for everybody and that you learned something about grant reporting and we will see you all next time. Thank you.

Moderator

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