



OFFICE OF
HOUSING COUNSELING

U.S. Department of Housing and Urban Development Office of Housing Counseling



Facilitated by
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Completing the Federal Financial Report (Standard Form 425)

July 19, 2018 2 PM EST

**Facilitated By
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Training Topics



1. Purpose of the Form
2. Submission Requirements
3. Completing the SF-425
4. Common Errors
5. Things to Remember
6. Available Assistance



Purpose of the Form



- The Federal Financial Report (FFR), also referred to as the Standard Form (SF) 425 form, is a required Office of Management and Budget (OMB) financial reporting form to track the status of financial data tied to a particular Federal grant award.
- Report which captures the financial status (obligations and disbursements) of an agreement at a specific time.
- Separate FFR/SF-425 required for each grant.



Submission Requirements



- Intermediaries, SHFAs, and MSOs are required by the HUD grant agreement to submit a FFR/SF-425.
- Must be submitted every quarter, regardless of whether expenses were incurred or not, once the project has begun.
- Quarterly reports are due no later than 30 calendar days after the last day of a calendar year quarter.
- Final reports are due no later than 90 calendar days after the last day of the period of performance.
- ALL amounts must be cumulative.

Submission Requirements (cont.)



1. All lines must be completed (enter\$0 or N/A)
2. If delinquent in prior period reporting, once the project has begun or at least one report has been submitted, submit reports for each delinquent quarter



Submission Requirements



For Example:

The current reporting period is for the quarter ending 03/31/18. Your agency's last quarterly report was submitted for the quarter ending for 09/30/17. Your agency must submit individual quarterly reports for the reporting periods ending:

- 12/31/17
- 03/31/18



Submission Requirements (cont.)



- Submit reports to HUD POC with quarterly financial reporting package
- Must request due date extension and receive approval in writing
- Modified or Amended reports should be clearly identified by writing **MODIFIED** or **AMENDED** on report



Completing the FFR/SF-425



FEDERAL FINANCIAL REPORT (Follow form instructions)					
1. Federal Agency and Organizational Element U.S. Department of Housing & Urban Development Office of Housing Counseling		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) HC17-1234-000		Pag e 1	Of 1 Pages
3. Recipient Organization (Name and complete address including ZIP code) John Doe Housing Authority, 1000 Main Highway, Atlanta, GA 00000					
4a. DUNS Number 0820000	4b. EIN 12345678	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment) N/A	6. Report Type <input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input type="checkbox"/> Final	7. Basis of Accounting <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual	
8. Project/Grant Period From: (Month, Day, Year) October 1, 2016		To: (Month, Day, Year) March 31, 2018		9. Reporting Period End Date (Month/Day/Year) September 30, 2017	

Block 1. Office that awarded the agreement

Block 2. HUD agreement number

Block 3. Recipient address - same as on the grant agreement

Block 4a. Recipient DUNS number

Block 4b. Recipient EIN number

Block 5. Leave blank since HUD did not issue a recipient account number

Block 6. Reporting frequency as specified in the agreement

Block 7. Recipient accounting method, cash, or accrual (cash basis refers to the accounting method in which expenses are recorded when they are paid. For accrual basis, expenses are recorded when incurred)

Block 8. Grant period of performance (not to be confused with the reporting period end date)

Block 9. The quarter end date of the current reporting period

Completing the FFR/SF-425



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



Completing the FFR/SF-425



Block 10. Transactions

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

A. CASH RECEIPTS: amount of Federal funds reimbursed to date



Completing the FFR/SF-425



Block 10. Transactions

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

B. CASH DISBURSEMENTS:

- Amount of Federal funds paid out



Completing the FFR/SF-425



Block 10. Transactions

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

B. CASH ON HAND:

- Cash-based accounting should be \$0.00 as your agency should not have drawdown any funds greater than that expended. If line (c) is greater than \$0.00 AN EXPLANATION MUST BE PROVIDED.

Completing the FFR/SF-425



<i>(Use lines d-o for single grant reporting)</i>	
Federal Expenditures and Unobligated Balance:	
d. Total Federal Funds Authorized	15,000
e. Federal Share of Expenditures	5,000
f. Federal Share of Unliquidated Obligations	0
g. Total Federal Share (sum of lines e and f)	5,000
h. Unobligated Balance of Federal Funds (line d minus g)	10,000

Federal expenditures and unobligated balance:

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

Completing the FFR/SF-425



- Cumulative reporting provides a sum of expenditures for the life of a grant. To arrive at cumulative total, add all expenses incurred to date.
- In the example that follows, Block 10e-Federal Share continues to increase in each successive SF-425 to show the total amount of expenditures to date. If a reporting error has occurred, and in order to correct the SF-425 a deduction from either block is necessary, your agency is required to make a notation in Block 12-Remarks.

Completing the FFR/SF-425



For Example:

- For the reporting period 07/01/17 to 09/30/17, Federal expenditures = \$5,000
- For the reporting period 10/01/17 to 12/31/17, Federal expenditures = \$3,310

The Federal Expenditures and Unobligated Balance Section of the report should be completed as follows:

SF-425 Reporting Period Ended 09/30/2017

Federal Expenditures and Unobligated Balance:

10d.	Total Federal funds authorized	15,000
10e.	Federal share of expenditures	5,000
10f.	Federal share of unliquidated obligations	-
10g.	Total Federal Share (sum lines e & f)	5,000
10h.	Unobligated balance of Federal funds (line d minus g)	10,000

SF-425 Reporting Period Ended 12/31/2017

Federal Expenditures and Unobligated Balance:

10d.	Total Federal funds authorized	15,000
10e.	Federal share of expenditures \$5,000 + \$3,310	8,310
10f.	Federal share of unliquidated obligations	-
10g.	Total Federal Share (sum lines e & f)	8,310
10h.	Unobligated balance of Federal funds (line d minus g)	6,690

Completing the FFR/SF-425



Recipient Share:	
i. Total Recipient Share Required	0 or N/A
j. Recipient Share of Expenditures	0 or N/A
k. Remaining Recipient Share to Be Provided (line i minus j)	0 or N/A

This section must be completed only if there is a cost share or match required by the agreement. Since there is no cost share or match required under the HUD grant, Lines (i), (j) and (k) should be marked “N/A or 0”



Completing the FFR/SF-425



Program Income:	
I. Total Federal Program Income Earned	200
m. Program Income Expended in Accordance with the Deduction Alternative	200
n. Program Income Expended in Accordance with the Addition Alternative	N/A
o. Unexpended Program Income (line I minus line m or line n)	0

PROGRAM INCOME:

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

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

Completing the FFR/SF-425



PROGRAM INCOME EXAMPLE:

Program Income funds are deducted from the total award's allowable costs to determine the net allowable cost on which HUD's share is based.

Example: HUD Award is \$200,000. \$20,000 is earned in Program Income. This income must be used to offset the award amount, and hence, reduce the total award amount to \$180,000. The total amount of funds for the housing counseling program remains at \$200,000 (\$180,000 from HUD OHC and \$20,000 from Program Income).

Completing the FFR/SF-425



11. Indirect Expense	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
	De Minimis	10%	1/1/2015	12/31/2018	\$5,000	\$500	\$500
				g. Totals	\$5,000	\$500	\$500

Block 11. Indirect Expenses

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

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

Completing the FFR/SF-425



12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:	
13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)	
a. Typed or Printed Name and Title of Authorized Certifying Official <i>Jane Doe, Executive Director</i>	c. Telephone (Area code, number and extension): <i>888-555-000</i>
	d. Email Address: <i>janedoe@jdha.org</i>
b. Signature of Authorized Certifying Official <i>Jane Doe</i>	e. Date Report Submitted (Month, Day, Year) <i>October 15, 2017</i>
14. Agency use only: Standard Form 425 OMB Approval Number: 0348-0061 Expiration Date: 10/31/2011	
Paperwork Burden Statement According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is 0348-0061. Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0060), Washington, DC 20503.	

Block 12. Remarks

Agency should attach any explanations to be included with the report.

Block 13. Certification

Ensure all information is legible:

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

Common Errors

Common Errors



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

1. Incomplete forms
2. Not submitting a report each quarter
3. Late reporting
4. Not reporting the correct grant number
5. Not capturing the accurate reporting type
6. Not reporting the accurate reporting period end date

Common Errors



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

10 (a) Not reporting the correct amount of the grant funds authorized (received) as of the beginning of the grant reporting period to the reporting period end date.

10 (b) Not reporting the correct amount of Federal funds disbursed from the start of the award through the reporting period end date.

Common Errors



(Use lines d-o for single grant reporting)	
Federal Expenditures and Unobligated Balance:	
d. Total Federal funds authorized	
e. Federal share of expenditures	
f. Federal share of unliquidated obligations	
g. Total Federal share (sum of lines e and f)	
h. Unobligated balance of Federal funds (line d minus g)	

10 (e) Not reporting the correct amount of actual disbursements (direct and indirect expenses) charged to the grant as of the reporting period end date.

10 (f) Not reporting all incurred expenses owed (un-liquidated obligations) but not yet recognized.

Common Errors



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

10 (l) Not reporting the cumulative amount of program income received during beginning of the grant reporting period to the reporting period end date.

10 (m) Not reporting the correct amount of program income expended for HUD grant activities supported under the grant during the reporting period end date.

Common Errors



Not including notes for the following exceptions:

1. Cash on Hand
2. Unobligated Balance of Federal Funds
3. Unexpended Program Income



Things to Remember

Things to Remember



1. Double-check to make sure the FFR is completed correctly and contains all required information and signatures.
2. Have a copy of award notification available for reference purposes.
3. Have copies of the last reported FFR (to refer to), if not a new grant. If new, this would be the 1st report.
4. Program outlays and program income should be reported on the same accounting basis (either cash or accrual) that is used in the normal accounting system.
5. A 'FINAL' FFR should be submitted for the duration of the grant with no unliquidated obligations before HUD can accept the "FINAL" FFR to close out the award.
6. An extension should be requested in writing prior to the due date for the SF-425 is necessary.

Available Assistance

Available Services — Training



Training

On-Boarding Training – For New Agencies or Changes in Personnel

Module #3 — Grant Financial Reporting

Menu	Description	On-Site and/or Remote
Completing the Federal Financial Report (SF-425)	One-on-one training with staff on how to accurately complete the SF-425, with examples.	Optional
Financial Management System Training	Training staff on maintaining a compliant financial management system; configuration of the accounting system; and development and training on relevant policies, procedures and internal controls	Optional

Available Services — Financial Analysis



Financial Analysis

Menu	Description	On-Site and/or Remote
Quarterly Financial Reporting Review	Review of quarterly financial reports for accuracy and completeness	Optional

Service Request Options



There are two ways to request services:

1. Direct Service Request

OR

2. Resulting from an Action Plan and/or FAR



Requesting Services



1. **REQUEST HUD POC emails a BMC GTM and requests the service:** States service required, grantee name, agency's contact information, and available information to complete the service
2. **APPROVAL:** GTM reviews the request, verifies it meets contractual requirements, and schedules with BMC
3. **COMPLETION:** BMC will complete the service and submit the final deliverable to the GTMs



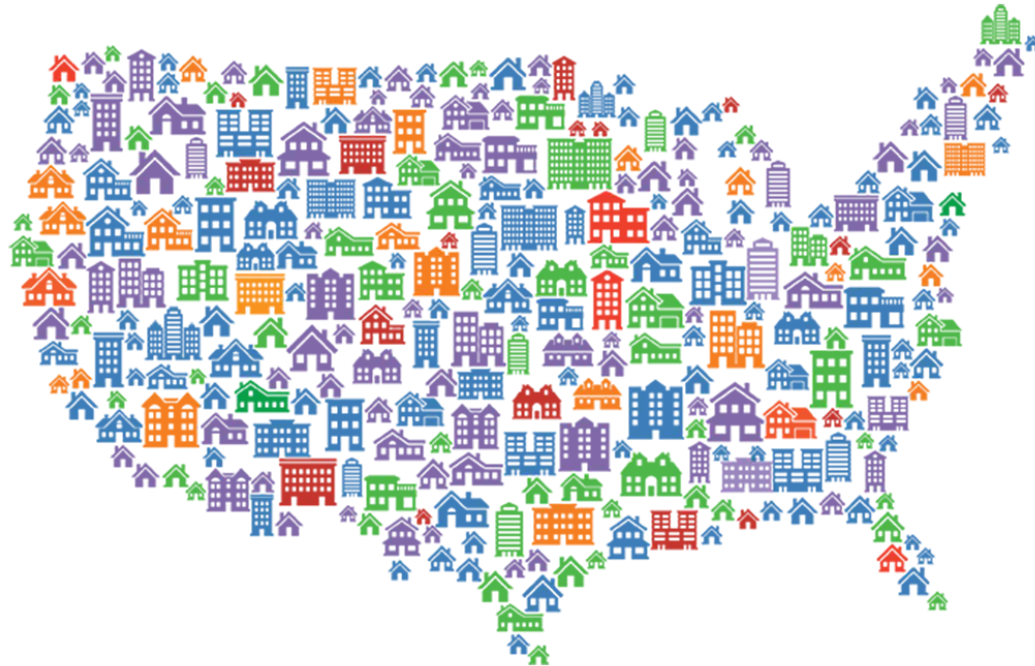
Action Plan and/or FAR Service Request



Step 1: Action Plan and/or FAR

Step 2: Technical Assistance

Step 3: Training



Benefits to Grantees



1. Comprehensive assistance to grantees to minimize the burdens of implementation of new regulations
2. Potentially reduce findings during performance and financial reviews
3. Provide financial and administrative technical assistance to grantees that can be transferred to other federal programs
4. Reduce administrative burden through training of sub-grantees



Please forward any questions to:
housing.counseling@hud.gov

with

“Completing the FFR-SF-425”
in the Subject line

Note: Only questions related to the HUD, Office of Housing Counseling, Comprehensive Housing Counseling grant will be accepted and responded to.