



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

**Financial Grant Reporting
April 21, 2015**

12:00 PM Eastern Standard Time

Facilitated by

Booth Management Consulting, LLC

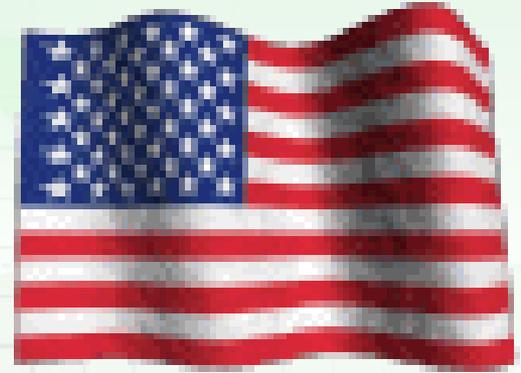
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BMIC
BOOTH MANAGEMENT CONSULTING, LLC

Training Topics

- Financial Grant Life Cycle
- Budget Submitted for Approval
- Financial Certifications and Disclosures
- Quarterly Financial Reporting
- Acceptable Accounting Practices
- Things to Remember



UNDERSTANDING THE FINANCIAL GRANT LIFE CYCLE



FINANCIAL GRANT LIFE CYCLE



FINANCIAL GRANT LIFE CYCLE

NOFA Application

- Pre-Award Accounting System Review
- Leverage funds supporting documentation
- OMB Circulars
- Code of Federal Regulations

Award

- Financial disclosures and certifications
- OMB Circular A-133 submission
- Indirect Cost Rate Documentation
- Sub-allocation List (Intermediaries, MSOs and SHFAS only)
- Billing Methodology (Intermediaries, MSOs and SHFAS only)

Grant Agreement

- Article XI, Reporting
- Federal Regulations

FINANCIAL GRANT LIFE CYCLE

Budget

- Form SF-424 or Other Form
- Budget Assumptions

Grant Reporting

- Article XI, Reporting
- Sub-allocations, administrative cost, billing methodology, SF-425 (Intermediaries, MSOs and SHFAS only)

LOCCS

- Authorized Individual
- Request for Payment
- Draw-down funds with quarterly reports
- Maintain documentation

Why emphasize this?



BUDGET SUBMITTED FOR APPROVAL



BUDGET FOR APPROVAL

- Based on the approved award amount
- HUD Form SF-424 CB or Other Format
- Detailed itemized budgetary line items, at a minimum salaries, fringe and other benefits, training, travel, rent, phone, postage, supplies, technology/ equipment, marketing and indirect costs
- Assumptions to support budgetary line items:
 - Salaries based on actual amounts to be paid
 - Administrative salaries must be justified
 - Fringes based on annual amounts
 - Indirect cost – Negotiated Indirect Cost Rate Agreement OR indirect cost rate tool to be provided by HUD

BUDGET FOR APPROVAL

- Allowable costs only (OMNI Circular, Subpart E)
- Unless otherwise stated, once submitted is considered the approved budget and draw down request should be based on approved budgetary line items:
 - After approval, request prior approval from HUD under 24 CFR Part 84 for any changes to the budgetary line items
- Signature and title of authorized person

BUDGET FOR APPROVAL

1 Grant Application Detailed Budget		U.S. Department of Housing and Urban Development				OMB Approval No. 2501-0017 (exp. 1/30/2014)				
2		Functional Categories								
3 Name of Project/Activity:		Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9
4		HUD Share	Applicant Match	Other HUD Funds	Other Fed Share	State Share	Local/Tribal Share	Other	Program Income	Total
5	a. Personnel (Direct Labor)	\$	\$	\$	\$	\$	\$	\$	\$	\$
6	b. Fringe Benefits									
7	c. Travel									
8	d. Equipment (only items > \$5,000 depreciated value)									
9	e. Supplies (only items w/depreciated Value < \$5,000)									
0	f. Contractual									
1	g. Construction									
2	1. Administration and legal expenses									
3	2. Land, structures, rights-of way, appraisals, etc.									
4	3. Relocation expenses and payments									
5	4. Architectural and engineering fees									
6	5. Other architectural and engineering fees									
7	6. Project inspection fees									
8	7. Site work									
9	8. Demolition and removal									
0	9. Construction									
1	10. Equipment									
2	11. Contingencies									
3	12. Miscellaneous									
4	h. Other (Direct Costs)									
5	i. Subtotal of Direct Costs									
6	j. Indirect Costs (% Approved Indirect Cost Rate: <u> </u> %)									
7	Grand Total (Year: <u> </u>):									
8	Grand Total (All Years):									

HUD Form SF-424

BUDGET FOR APPROVAL

General Instructions

This form is designed so that an application can be made for any of HUD's grant programs. **Separate sheets must be used for each proposed program year and for a summary of all years.**

Check applicable program year **or all years** box at top of page to indicate **which applies.**

On the final sheet enter the Grand Total for all years in the applicable box at the

bottom of the page. In preparing the budget, adhere to any existing HUD requirements which

prescribe how and whether budgeted amounts should be separately shown for different functions or activities within the program. For some programs, HUD may require budgets to be shown separately by function or activity. Your budget information should show the entire cost of your proposed program of activities per year. If you are not using funds in any of the line item categories, you should leave the item blank. Pages may be duplicated **to show budget** data for individual programs, projects or activities.

NOTE: Not all budget categories on this form are eligible for funding under all programs.

Please see eligible activities under the specific program for which you are seeking funding.

Budget Categories

The budget categories identifies how your program funds will be allocated by type of use, e.g., funds going for salaries, travel, contracts, etc. Each of these line items should be broken out under each applicable column.

Lines a-f-- Show the totals of Lines a to f in each column.

Lines g. Show construction related expenses in the appropriate categories below.

Line g.1-- Enter estimated amounts needed to cover administrative expenses. Do not include costs which are related to the normal functions of government.

Line g.2-- Enter estimated site and right(s)-of-way acquisition costs (this includes purchase, lease, and/or easements).

Line g.3-- Enter estimated costs related to relocation advisory assistance, replacement housing, relocation payments to displaced persons and businesses, etc.

Line g.4-- Enter estimated basic engineering fees related to construction (this includes start-up services and preparation of project performance work plan).

Line g.5-- Enter estimated engineering costs, such as surveys, tests, soil borings, etc.

Line g.6-- Enter estimated engineering inspection costs.

Line g.7-- Enter the estimated site preparation and restoration which are not included in the basic construction contract.

Line g.8-- Enter the estimated costs related to demolition activities.

Line g.9-- Enter estimated costs of the construction contract.

Line g.10-- Enter estimated cost of office, shop, laboratory, safety equipment, etc. to be used at the facility, if such costs are not included in the construction contract.

Line g.11-- Enter any estimated contingency costs.

Line g.12-- Enter estimated miscellaneous costs.

Line h-- Enter any other direct costs not already addressed above.

Line i-- Calculate the totals of all applicable columns to determine the Subtotal of Direct Costs.

Line j-- Indicate the approved Indirect Cost Rate (if any) and calculate the indirect cost in accordance with the terms of your approved indirect cost rate and enter the resulting amount.

Grand Total (Year: __)-- Enter the sum of lines i. and j. under column 9 for each year, **and enter the applicable year, in the blank, for each sheet completed.**

Grand Total (All Years)-- Enter the sum of all the, "Grand Total (Year: __)" amounts from each sheet completed, under column 9, for all proposed years.

For each budget category (personnel, fringe benefits, travel, etc) you should identify the amount of funding you plan on using in your grant program. You should complete each column as follows:

Column 1 - Identify the amount of funds that you will need from the HUD grant program for which you are seeking funding.

Column 2 - Identify any matching funds that you are required to include in your proposed program in order to be eligible for assistance.

Column 3 - Identify any other HUD funds that you will be adding to this program either through your formula or competitive grant programs.

Column 4 - Identify any other Federal funds that you will be adding to this program either through your formula or competitive grant programs.

Column 5 - Identify any State funds that you will be adding to this program.

Column 6 - Identify any Local or Tribal Government funds that you will be adding to this program.

Column 7 - Identify any additional funds not previously identified in Columns 1 - 6, that you intend to use for your proposed program.

Column 8 - Identify any program income that you expect to generate under this program.

Column 9 Add columns 1 - 8 across and place the total in Column 9.

Instructions for HUD Form
SF-424

BUDGET FOR APPROVAL

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Grand Total (Year: __)-- Enter the sum of lines i. and j. under column 9 for each year, **and enter the applicable year, in the blank, for each sheet completed.**

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Instructions for HUD Form
SF-424

BUDGET FOR APPROVAL

CHART E.2. LHCA's

1 Applicant Name:		
2	(A)	(B)
3	Expenses	Applicant's Total Budget, All Sources
4	Salaries	
5	Housing Counselors	
6	Housing Counseling Program Managers	
7	All Other Housing Counseling Program Staff	
8	Fringe Benefits	
9	Housing Counselors	
10	Housing Counseling Program Managers	
11	All Other Housing Counseling Program Staff	HUD Provided Format - LHCA
12	Total Other Direct Costs	
13	Other (Must Provide Explanation of Other Expenses in Narrative)	
14	Total Direct Costs	\$ -
15	Indirect Cost Allocation Amount (if applicable)	
16	TOTAL BUDGET	\$ -

BUDGET FOR APPROVAL

CHART E.1. Intermediaries, SHFAs and MSOs

1 Applicant Name:				
2 FY 2013 Grant Period Applicant's Total Budget, All Sources of Funding			\$	-
3 FY 2013 Grant Period HUD Housing Counseling Grant Funding Amount				
4 FY 2013 Grant Period Percentage of HUD Funds Sub-allocated to Sub-grantees and Funded Branches				
5	(A)	(B)	(C)	(D)
		Applicant's Total Administrative Budget, All Sources (Do Not Include Funds Sub-allocated to Sub-grantees/ Funded Branches)	Total Budget of all Sub-Grantees/ Funded Branches, All Sources (Include Main Office that Provides Direct Counseling)	(B + C) Network-wide Total Budget, All Sources
6	Expenses			
7 Salaries				
8	Housing Counselors			
9	Housing Counseling Program Managers			
10	All Other Housing Counseling Program Staff		\$ -	
11 Fringe Benefits				
12	Housing Counselors			
13	Housing Counseling Program Managers			
14	All Other Housing Counseling Program Staff			
15 Total Other Direct Costs			\$ -	
Other (Must Provide Explanation of Other Expenses in Narrative)				
16			\$ -	
17 Total Direct Costs \$			\$ -	\$ -
18 Indirect Cost Allocation Amount (if applicable)				
19 TOTAL BUDGET \$			\$ -	\$ -

HUD Provided Format – Intermediaries, MSOs and SHFAs

BUDGET FOR APPROVAL

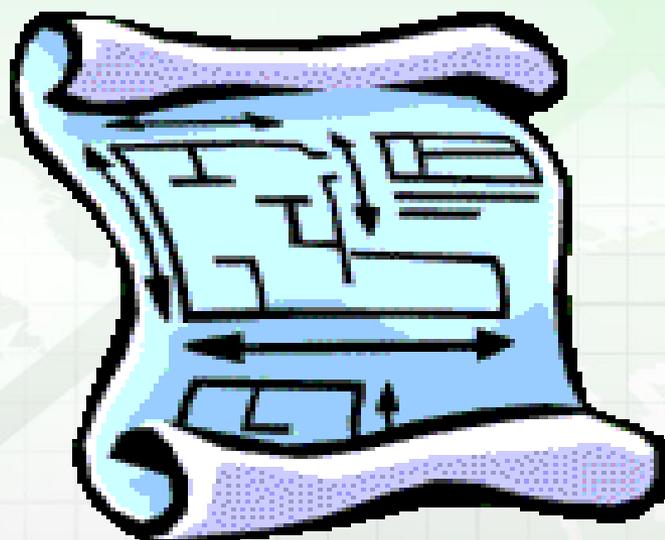
Additional budget related requirements for Intermediaries, MSOs, and SHFAs must include:

- Updated list of sub-grantees and funded branches and their corresponding sub-allocations
 - If reimbursing sub-grantees and/or branches at a fixed rate per counseling/education activity also have to submit budgets
- A detailed budget accounting for how all administrative funds (funds not passed through)
 - Includes funds for training, travel, salaries and equipment for each quarter and cumulative
 - If reimbursement period is for first two quarters, 3rd quarter budget shall reflect itemized accounting for each period
- Billing methodology

BUDGET FOR APPROVAL

Additional budget related requirements for Intermediaries, MSOs, and SHFAs must include (continued):

- Billing methodology
 - Explain clearly the methodology used to reimburse Sub- grantees or branches
 - If using formula, indicate hourly rate attributed to Grant or how each cost is calculated for fixed-cost reimbursement
 - Explain process to ensure method/ costs used do not exceed actual costs



FINANCIAL DISCLOSURES AND CERTIFICATIONS



Financial Disclosures/Certifications

Included in the application or as a part of the post-award requirements. Should also be referenced in the grant agreement.

Financial Management

- §200.305 of the OMB Omni Circular
- Accounting system, including policies and procedures

Internal Control

- §200.303 of the OMB Omni Circular
- Establish and maintain internal controls

Non-Major Non Profit

- §200.415 of the OMB Omni Circular
- Non-major corporation

Financial Disclosures/Certifications

§200.302 Financial management.

____ (b) The financial management system of each non-Federal entity must provide for the following (see also §§200.333 Retention requirements for records, 200.334 Requests for transfer of records, 200.335 Methods for collection, transmission and storage of information, 200.336 Access to records, and 200.337 Restrictions on public access to records):

(1) Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the CFDA title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.

(2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§200.327 Financial reporting and 200.328 Monitoring and reporting program performance. If a Federal awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a subrecipient to establish an accrual accounting system and must allow the subrecipient to develop accrual data for its reports on the basis of an analysis of the documentation on hand.

(3) Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

(4) Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes. See §200.303 Internal controls.

(5) Comparison of expenditures with budget amounts for each Federal award.

(6) Written procedures to implement the requirements of §200.305 Payment.

(7) Written procedures for determining the allowability of costs in accordance with Subpart E—Cost Principles of this part and the terms and conditions of the Federal award.

Financial Disclosures/Certifications

§200.303 Internal controls.

___ The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

(b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.

(c) Evaluate and monitor the non-Federal entity's compliance with statutes, regulations and the terms and conditions of Federal awards.

(d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

(e) Take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive or the non-Federal entity considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality.

[, as amended at 79 FR 75883, Dec. 19, 2014]

§200.415 Required certifications.

___ c) Certifications by non-profit organizations as appropriate that they did not meet the definition of a major nonprofit organization as defined in §200.414 Indirect (F&A) costs, paragraph (a).



QUARTERLY FINANCIAL REPORTING AND PAYMENT REQUEST



QUARTERLY FINANCIAL REPORTING

All Grantees

- Due 30 days after the end of the quarter and the final report is due when the Grantee has completed all Grantee activities that will be funded under the Grant
- If grant awarded during the Period of Performance, the first quarterly report will be due to the GTR or GTM not later than 60 days after the quarter end date and should reflect Grantee's cumulative activity for all prior quarters 1, 2 and 3.
 - For Example, if awarded 5/15/2015 with a period of performance of 10/1/2014 to 3/31/2016, then the first quarter report is due 08/3/2015 for the quarters ended 12/31/2014 (Qtr. 1), 03/31/2015 (Qtr. 2), and 06/30/2015 (Qtr. 3)

QUARTERLY FINANCIAL REPORTING

All Grantees

- Reporting requirements are detailed in the Grant Agreement
- Varies depending on grantee type
- Required
 - If not requesting payment
 - If there is no activity (No Activity Report)
- Submitted to the HUD POC directly

QUARTERLY FINANCIAL REPORTING

All Grantees

Budget

- Detailed expenses for each distinct quarter, and cumulative, under the grant.
- Must include salaries, fringe and other benefits, training, travel, rent, phone, postage, supplies, technology/ equipment, marketing and indirect costs provided those costs were submitted on the projected budget at time of award
- The budget must account for the expenditure of each dollar being billed to the Grant
- See prior slides for budget samples

Other Requirements

- Written prior HUD approval for all extensions
- If amending report, recommend indicating "AMENDED" or "CORRECTED" on the top of report
- Signed and dated by authorized individual

QUARTERLY FINANCIAL REPORTING

All Grantees

- Certification statement for all annual financial reports and requests for payments:

“By signing this report, I certify to the best of my knowledge and belief that the report is true, complete and accurate and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information or the omission of any material fact, may subject me to criminal civil or administrative penalties for fraud, false statements, false claims, or otherwise.”

QUARTERLY FINANCIAL REPORTING

ARTICLE XI REPORTING

LHCA FY14 Grant Agreement

A. Quarterly Performance Reports. Given that Grant Funds will be awarded mid-way through the Period of Performance, the first quarterly report will be due to the GTR or GTM not later than August 31, 2014. This Quarter 3 report should reflect Grantee's cumulative activity for Quarters 1, 2 and 3. This report must satisfy all requirements described below for both the reporting period and cumulative period. Unless the Grant has been fully expended and a final report as described in Section B of this Article has been submitted to close out the Grant, a quarterly report is due 30 days after each quarter ends.

Grantees must submit a separate report containing the following:

1. Grantee's name, address, and grant number as they appear on the grant document;
2. Start and end dates of the report period;
3. Hourly rate. Identify each counselor or other employee whose time/activity is being billed to the Grant, the individual's title, and the hourly billing rate used to calculate reimbursement from HUD for that individual's time/activity; or, in the event of fixed-price reimbursement, document actual expenses. Explain the method used for calculating hourly rates;
4. Staff hours. Indicate for each relevant counselor and other employee the total number of hours being billed to the Grant cumulatively and for the quarter. For each individual whose work time will be reimbursed from the Grant, multiply the relevant hours by the relevant hourly rate (see item #3) and indicate the cumulative total and total for the quarter;
5. Budget. Submit a detailed, comprehensive budget listing expenses for each distinct quarter, and the Grant period to date, under the Grant. At a minimum, the budget must include the following as applicable: salaries, fringe and other benefits, training, travel, rent, phone, postage, supplies, technology/equipment, marketing, and indirect costs. The budget must account for the expenditure of each dollar being billed to the Grant. If reimbursement is being requested for activity attributable to the Grant that occurred in the first or second quarter, the third quarter budget submission must include an itemized accounting/budget reflecting expenses incurred during the correct time period.
6. Authorization. Include the signature and title of a person authorized by the Grantee to sign the report;

QUARTERLY FINANCIAL REPORTING

LHCA Requirements

Grantees Name, address, and grant number

- Full legal name used on the grant application)
- Notify HUD of any name changes

Start and End Dates

- Quarter reporting period date, not period of performance date
- If over multiple quarters, use the actual dates of performance through the quarter
- Financial activity should be during those dates.

QUARTERLY FINANCIAL REPORTING

LHCA Requirements

Hourly Rate

- Identify each counselor or other employee whose time/activity is being billed to the grant. Include title and hourly billing rate
- In the event of fixed-price reimbursement, document actual expenses
- Explain methods used to calculate hourly rates segregating direct rate from fringe benefits

Staff Labor Hours

- Indicate the total number of hours billed to grant cumulatively and for the quarter
- Multiply relevant hours by relevant hourly rate for cumulative and quarter totals
- Time shall be broken down by type of service provided

QUARTERLY FINANCIAL REPORTING

LHCA Requirements

LHCA Sample Staffing Reporting

Sample Staffing Reporting

			LHCA Sample Staffing Reporting			
Sample Staffing Reporting			Quarter to Date		Cumulative To Date	
Relevant Employee	Title	Hourly Rate (A)	Total Hours Qtr. to Date (B)	Total Amount Charged Qtr. to Date (C) A x B	Total Hours Cumulative (D) (B+Prior Qtr. Cum Hrs)	Total Amount Charged Cumulative (E) A x D
Jane Doe	Housing Counselor	\$ 20.19	15.00	\$ 302.85	25.00	\$ 504.75

QUARTERLY FINANCIAL REPORTING

REPORTING

Intermediary, MSO, SHFA FY14
Grant Agreement

- A. Quarterly Performance Reports – Intermediaries, MSOs or SHFAs That Issue Sub-grants or Fund Branches Under Their Award.** Given that Grant Funds will be awarded mid-way through the Period of Performance, the first quarterly report will be due to the GTR or GTM not later than August 31, 2014. This Quarter 3 report should reflect Grantee's cumulative activity for Quarters 1, 2 and 3. This report must satisfy all requirements described below for both the reporting period and cumulative period. Unless the Grant has been fully expended and a final report as described in Section B of this Article has been submitted to close out the Grant, a quarterly report is due 30 days after each quarter ends.

For each Sub-grantee and funded Branch, Grantees must submit a separate report containing the following:

1. Grantee's name, address, and grant number as they appear on the grant document;
2. Start and end dates of the report period;
3. Hourly rate. Identify each counselor or other employee whose time/activity is being billed to the Grant, the individual's title, and the hourly billing rate used to calculate reimbursement from HUD or a Parent Organization for that individual's time/activity; or, in the event of fixed-price reimbursement, document actual expenses. Explain the method used for calculating hourly rates;
4. Staff hours. Indicate for each relevant counselor and other employee the total number of hours being billed to the Grant cumulatively and for the quarter. For each individual whose work time will be reimbursed from the Grant, multiply the relevant hours by the relevant hourly rate (see item #3) and indicate the cumulative total and total for the quarter;
5. Budget. Submit a detailed, comprehensive budget listing expenses for each distinct quarter, and the Grant period to date, under the Grant. At a minimum, the budget must include the following as applicable: salaries, fringe and other benefits, training, travel, rent, phone, postage, supplies, technology/equipment, marketing, and indirect costs. The budget must account for the expenditure of each dollar being billed to the Grant. If reimbursement is being requested for activity attributable to the Grant that occurred in the first or second quarter, the third quarter budget submission must

QUARTERLY FINANCIAL REPORTING

Intermediaries, SHFAs and MSOs must also submit the following HUD Housing Counseling Grant network-wide information, for each reporting period and the cumulative period:

Intermediary, MSO, SHFA FY14
Grant Agreement

8. **Sub-allocations.** A listing of: (a) the Sub-grantees and funded Branches and corresponding HUD housing counseling sub-grant amounts and allocations, for each quarter and cumulative period; and (b) a Dun and Bradstreet Universal (DUNS) Identifier number for each. This data is required by a Notice published by the Office of Management and Budget, Amending Federal Financial Assistance-Related Forms To Include Universal Identifier (73 Fed. Reg. 32415 (June 6, 2008)), to ensure compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. No. 109-282). Should additional requirements become applicable, HUD reserves the right to amend this Grant Agreement;
9. **Administrative Cost.** A detailed budget accounting for how all administrative funds, *i.e.* funds used to run the program and not passed through to Sub-grantees or allocated to Branches, but were spent by the Intermediary, SHFA or MSO for activities including training, travel, salaries, and equipment, for each quarter and cumulative. If reimbursement is being requested for activity, which occurred in the first two quarters of the Period of Performance and is attributable to the Grant, the third quarter budget submission must include an itemized accounting/budget reflecting expenses incurred for each period;
10. **Billing Methodology.** Explain clearly the methodology employed to reimburse Sub-grantees or funded Branches. (For example, include the formula for calculating a counselor's hourly rate attributed to the Grant, or how each cost is calculated for fixed-cost counseling/education activity). Also, indicate the process used to ensure that the fixed cost reimbursement rate does not exceed the actual cost of providing the housing counseling services for which Sub-grantees and Branches request reimbursement;
11. **Form HUD-9902.** Intermediaries, SHFAs and MSOs must ensure that Sub-grantees and funded Branches update the Form HUD-9902 electronically through the Housing Counseling System (HCS) so that the *HUD Housing Counseling Grant Activity* column(s) reflects activity funded with HUD Housing Counseling Grant or sub-grant funds.
12. **Federal Financial Report.** Complete and submit the Form SF-425, summarizing financial data, including program income, for each quarter. The form can be accessed at http://www.whitehouse.gov/omb/grants_forms.

QUARTERLY FINANCIAL REPORTING

Intermediaries, MSOs and SHFAs

Sub-allocations

A listing of:

- All sub-grantees and funded branches and the corresponding amounts/allocations
- Dun and Bradstreet Universal (DUNS) Identifier number for each

Administrative Costs

- Detailed budget accounting for all administrative funds, i.e. funds used to run the program and not passed through to Sub-grantees or branches
- Includes funds for training, travel, salaries and equipment for each quarter and cumulative
- If reimbursement period is for first two quarters, 3rd quarter budget shall reflect itemized accounting for each period

QUARTERLY FINANCIAL REPORTING

Intermediaries, MSOs and SHFAs

Billing Methodology

- Should be consistent with the methodology submitted with the approved budget.
- Clearly demonstrate that the agreed upon methodology is being used to charge HUD
- Ensure method/ costs used do not exceed actual costs

Federal Financial Report

- Summarizes financial data, including program income for each quarter
- Submit to HUD POC
- Access the form and instructions at:
http://www.whitehouse.gov/sites/default/files/omb/assets/grants_forms/SF-425.pdf or
<http://www.archives.gov/nhprc/pdfs/sf-425-fillable.pdf>

QUARTERLY FINANCIAL REPORTING

FORM SF-425

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	
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)		5. Report Type		7. Basis of Accounting	
				<input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input type="checkbox"/> Final		<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	
<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)						0.00	
<i>(Use lines d-o for single grant reporting)</i>							
Federal Expenditures and Unobligated Balance:							
d. Total Federal funds authorized							
e. Federal share of expenditures							
f. Federal share of unliquidated obligations							
g. Total Federal share (sum of lines e and f)						0.00	
h. Unobligated balance of Federal funds (line d minus g)						0.00	
Recipient Share:							
i. Total recipient share required							
j. Recipient share of expenditures							
k. Remaining recipient share to be provided (line i minus j)						0.00	
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)						0.00	
11. Indirect Expense	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
g. Totals:							
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				c. Telephone (Area code, number and extension)			
				d. Email address			
b. Signature of Authorized Certifying Official				e. Date Report Submitted (Month, Day, Year)			
				14. Agency use only:			

Standard Form 425
 OMB Approval Number: 0348-0061
 Expiration Date: 10/31/2011

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Cover Information

1	Federal Agency and Organizational	Enter the name of the Federal agency and organizational element identified in the award document or as instructed by the agency.
2	Federal Grant or Other Identifying Number	For a single award, enter the grant number assigned to the award by the Federal agency. For multiple awards, report this information on the <i>FFR Attachment</i> . <i>Do not complete this box if reporting on multiple awards.</i>
3	Recipient Organization	Enter the name and complete address of the recipient organization including zip code.
4a	DUNS Number	Enter the recipient organization's Data Universal Numbering System (DUNS) number or Central Contract Registry extended DUNS number.
4b	EIN	Enter the recipient organization's Employer Identification Number (EIN).
5	Recipient Account Number or Identifying Number	Enter the account number or any other identifying number assigned by the recipient to the award. This number is for the recipient's use only and is not required by the Federal agency. For multiple awards, report this information on the <i>FFR Attachment</i> . <i>Do not complete this box if reporting on multiple awards.</i>
6	Report Type	Mark appropriate box. <i>Do not complete this box if reporting on multiple awards.</i>
7	Basis of Accounting (Cash/Accrual)	Specify whether a cash or accrual basis was used for recording transactions related to the award(s) and for preparing this <i>FFR</i> . Accrual basis of accounting refers to the accounting method in which expenses are recorded when incurred. For cash basis accounting, expenses are recorded when they are paid.
8	Project/Grant Period, From: (Month, Day, Year)	Indicate the period established in the award document during which Federal sponsorship begins and ends. Note: Some agencies award multi-year grants for a project period that is funded in increments or budget periods (typically annual increments). Throughout the project period, agencies often require cumulative reporting for consecutive budget periods. Under these circumstances, enter the beginning and ending dates of the project period not the budget period. <i>Do not complete this line if reporting on multiple awards.</i>
	Project/Grant Period, To:	See the above instructions for "Project/Grant Period, From: (Month, Day, Year)."
9	Reporting Period End Date: (Month, Day, Year)	Enter the ending date of the reporting period. For quarterly, semi-annual, and annual interim reports, use the following reporting period end dates: 3/31, 6/30, 9/30, or 12/31. For final <i>FFRs</i> , the reporting period end date shall be the end date of the project or grant period.

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Number	Item	
10	Transactions	<p>Enter cumulative amounts from date of the inception of the award through the end date of the reporting period specified in line 9.</p> <p>Use Lines 10a through 10c, Lines 10d through 10o, or Lines 10a through 10o, as specified by the Federal agency, when reporting on single grants.</p> <p>Use Line 12, Remarks, to provide any information deemed necessary to support or explain <i>FFR</i> data.</p>
Federal Cash (To report multiple grants, also use FFR Attachment)		
10a	Cash Receipts	Enter the cumulative amount of actual cash received from the Federal agency as of the reporting period end date.
10b	Cash Disbursements	<p>Enter the cumulative amount of Federal fund disbursements by the grantee (such as cash or checks) as of the reporting period end date. Disbursements are the sum of actual cash disbursements (of Federally authorized funds) for direct charges for goods and services, the amount of indirect expenses charged to the award, and the amount of cash advances and payments (of Federally authorized funds) made to subrecipients and contractors.</p> <p>For multiple grants, report each grant separately on the <i>FFR</i> Attachment. The sum of the cumulative cash disbursements on the <i>FFR</i> Attachment must equal the amount entered on Line 10b, <i>FFR</i>.</p>
10c	Cash On Hand (Line 10a Minus Line 10b)	<p>Enter the amount of Line 10a minus Line 10b. This amount represents immediate cash needs.</p> <p><i>Use of Aggregated Amounts of Disbursements and Advances.</i> A recipient must compute the amount of Federal Cash on Hand due to undisbursed advance payments using the same basis that it uses in requesting the advances. Therefore, in doing the computation, a recipient may only aggregate the amounts of its advance payments received and disbursements of Federal funds under multiple awards only if it is authorized to aggregate its requests for advance payments in the same manner. The following examples should help to illustrate what is permissible:</p> <ul style="list-style-type: none"> • If a recipient is authorized to consolidate its requests for advance payment for a group of awards—i.e., it requests a single amount to cover its anticipated cash needs for the awards in the aggregate, then it may similarly compute the Cash on Hand by subtracting the aggregated amount of disbursements from the aggregated amount of the advances received for those awards. • If the same recipient is required to request payment individually for other Federal awards, it must compute the Cash on Hand for each of those awards on an award by award basis and correspondingly report these awards on separate <i>FFRs</i>. <p><i>Exclusion of Negative Balances of Cash on Hand.</i> In computing the total amount of Cash on Hand for its Federal awards in the aggregate, a recipient must exclude any negative balance of Federal Cash on Hand for an individual award or for a group of awards paid through a consolidated payment request.</p>

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Number	Item	
		<p>This includes each award paid by the reimbursement method and any award using the advance method that has disbursements in excess of advances received to date. The computation must include only positive balances of cash on hand.</p> <p>If more than three business days of cash are on hand, the Federal agency may require an explanation on Line 12, Remarks, explaining why the drawdown was made prematurely or other reasons for the excess cash.</p>
Federal Expenditures and Unobligated Balance: Do not complete this section if reporting on multiple awards.		
10d	Total Federal Funds	Enter the total Federal funds authorized as of the reporting period end date.
10e	Federal Share of Expenditures	Enter the amount of Federal fund expenditures. For reports prepared on a cash basis, expenditures are the sum of cash disbursements for direct charges for property and services; the amount of indirect expense charged; and the amount of cash advance payments and payments made to subrecipients. For reports prepared on an accrual basis, expenditures are the sum of cash disbursements for direct charges for property and services; the amount of indirect expense incurred; and the net increase or decrease in the amounts owed by the recipient for (1) goods and other property received; (2) services performed by employees, contractors, subrecipients, and other payees; and (3) programs for which no current services or performance are required. Do not include program income expended in accordance with the deduction alternative, rebates, refunds, or other credits. (Program income expended in accordance with the deduction alternative should be reported separately on Line 10m.)
10f	Federal Share of Unliquidated Obligations	<p>Unliquidated obligations on a cash basis are obligations of Federally authorized funds which are incurred, but not yet paid as of the end of the reporting period. On an accrual basis, they are obligations of Federally authorized funds which have been incurred, but for which an expenditure has not yet been recorded, as of the end of the reporting period. Enter the amount of unliquidated obligations of Federally authorized funds. Those obligations include direct and indirect expenses incurred but not yet paid or charged to the award, including amounts due to subrecipients and contractors. On the final report, this line should be zero unless the awarding agency has provided other instructions.</p> <p><i>Do not include any amount in Line 10f that has been reported in Line 10e. Do not include any amount in Line 10f for a future commitment of funds (such as a long-term contract) for which an obligation or expense has not been incurred.</i></p>
10g	Total Federal Share (Sum)	Enter the sum of Lines 10e and 10f.
10h	Unobligated Balance of Federal Funds	Enter the amount of Line 10d minus Line 10g.

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10i	Total Recipient Share Required	Enter the total required recipient share for reporting period specified in line 9. The required recipient share should include all matching and cost sharing provided by recipients and third-party providers to meet the level required by the Federal agency. This amount should not include cost sharing and match amounts in excess of the amount required by the Federal agency (for example, cost overruns for which the recipient incurs additional expenses and, therefore, contributes a greater level of cost sharing or match than the level required by the Federal agency).
10j	Recipient Share of Expenditures	Enter the recipient share of actual cash disbursements or outlays (less any rebates, refunds, or other credits) including payments to subrecipients and contractors. This amount may include the value of allowable third party in-kind contributions and recipient share of program income used to finance the non-Federal share of the project or program. Note: On the final report this line should be equal to or greater than the amount of Line 10i.
10k	Remaining Recipient Share to be Provided	Enter the amount of Line 10i minus Line 10j. If recipient share in Line 10j is greater than the required match amount in Line 10i, enter zero.
Program Income: Do not complete this section if reporting on multiple awards.		
10l	Total Federal Share of Program Income Earned	Enter the amount of the Federal share of program income earned. Do not report any program income here that is being allocated as part of the recipient's cost sharing amount included in Line 10j.
10m	Program Income Expended in Accordance	Enter the amount of program income that was used to reduce the Federal share of the total project costs.
10n	Program Income Expended in Accordance	Enter the amount of program income that was added to funds committed to the total project costs and expended to further eligible project or program activities.
10o	Unexpended Program Income (Line 10l)	Enter the amount of Line 10l minus Line 10m or Line 10n. This amount equals the program income that has been earned but not expended, as of the reporting period end date.
11	Indirect Expense: Complete this information only if required by the awarding agency. Enter cumulative amounts from date of the inception of the award through the end date of the reporting period specified in line 9.	
11a	Type of Rate(s)	State whether indirect cost rate(s) is Provisional, Predetermined, Final, or Fixed.
11b	Rate	Enter the indirect cost rate(s) in effect during the reporting period.
11c	Period From;	Enter the beginning and ending effective dates for the rate(s).
11d	Base	Enter the amount of the base against which the rate(s) was applied.
11e	Amount Charged	Enter the amount of indirect costs charged during the time period specified. (Multiply 11b. x 11d.)
11f	Federal Share	Enter the Federal share of the amount in 11e.
11g	Totals	Enter the totals for columns 11d, 11e, and 11f.
Remarks, Certification, and Agency Use Only		
12	Remarks	Enter any explanations or additional information required by the Federal sponsoring agency. Do not include information that is reported in line 10.

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FORM SF-425 Instructions

FFR Number	Reporting Item	Instructions
13a	Typed or Printed Name and Title of Authorized	Enter the name and title of the authorized certifying official.
13b	Signature of Authorized	The authorized certifying official must sign here.
13c	Telephone (Area Code,	Enter the telephone number (including area code and extension) of the individual listed in Line 13a.
13d	Email Address	Enter the email address of the individual listed in Line 13a.
13e	Date Report Submitted	Enter the date the <i>FFR</i> is submitted to the Federal agency using the month, day, year format.
14	Agency Use Only	This section is reserved for Federal agency use.

ACCEPTABLE ACCOUNTING PRACTICES



ACCEPTABLE ACCOUNTING PRACTICES

- Financial Management system in compliance with Section 200.302 of the OMB Omni Circular
- Accounting Basis
 - If accrual basis, grant reporting in the system should also be on an accrual basis.
 - If cash basis, must still maintain grant financial information on the accrual basis outside of the system
- Each grant must be accounted for separately in the accounting system
- Maintain supporting documentation for all charges to HUD grant

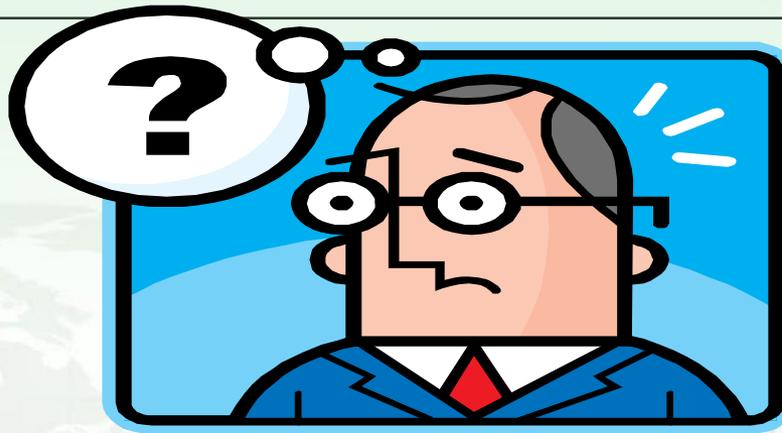
ACCEPTABLE ACCOUNTING PRACTICES

- Reconcile accounting general ledger to requests for payments, SF-425 (if applicable), and cumulative total for final quarterly report.
- Documented policies and procedures for key financial areas
- Communication between the program area and accounting
- Strong internal control policies and procedures



THINGS TO REMEMBER

- Read the HUD Grant Agreement
- Read the OMB Omni Circular specifically Subparts D and E
- Send all financial reporting, except for requests for payments, to your HUD POC
- File reports timely, if necessary, request a prior written approval for an extension before the due date
- Be sure to use the approved rates for labor
- Do not hesitate to contact your HUD POC if you have any questions



Questions

Please forward any questions to

housing.counseling@hud.gov with

Financial Grant Reporting

in Subject line

**THANK
YOU**