Objectives of Financial Reporting Training

- Purpose of Financial Reporting
- Delinquent Reports
- Carryover of Unobligated funds requirements
Monitoring of Federal Funds

- Recipients are responsible for managing the day-to-day operations of grant-supported activities using their established controls and policies, as long as they are consistent with HHS requirements. However, to fulfill their role in regard to the stewardship of Federal funds, OPDIV’s (IHS) monitor their grants to identify potential problems and areas where technical assistance might be necessary. This active monitoring is accomplished through review of financial and progress reports and correspondence from the recipient, audit reports, site visits, and other information available to the OPDIV (IHS).

- During post-award administration, the GMS monitors expenditures for conformance with cost policies. The GMS’s monitoring includes, among other things, responding to prior-approval requests (i.e. Carryover) and reviewing financial reports, audit reports and other periodic reports. The GMS may also use audit findings as the basis for final cost adjustments. The PO’s or ADC’s monitoring includes review of progress reports, prior-approval requests, and other correspondence, and site visits.
Monitoring of Federal Funds – Continued

- Monitoring of a project will continue for as long as the OPDIV (IHS) retains a financial interest in the project or activity as a result of property accountability, audit, and other requirements that may continue for a period of time after the grant is administratively closed out and the OPDIV (IHS) is no longer providing active grant support.
Federal Financial Report
SF–425


  - Background
    - In August 2008, the Office of Management and Budget (OMB) issued a *Federal Register* notice establishing the Federal Financial Report (FFR or SF–425) as the single form/format to be used by federal agencies. The FFR will be used by HHS for expenditure reporting and reporting on the status of cash transaction reporting.
    - The Division of Payment Management transitioned to the use of the FFR for cash transaction reporting effective January 1, 2010.

  - Policy Requirements
    - As of February 1, 2011, the Department of Health and Human Services (DHHS) began the transition from the use of the SF–269, Financial Status Report to the use of the SF–425, Federal Financial Report, for expenditure reporting. SF–269’s were no longer accepted for expenditure reporting. If an SF–269 is submitted, the IHS Division of Grants Management Operations and Policy (DGM) it will be returned and the SF–425 will be required.
Federal Financial Report
SF-425


- Reports of expenditures are required as documentation of the financial status of grants according to the official accounting records of the recipient. Financial or expenditure reporting is accomplished using the Federal Financial Report (FFR) SF-425.

- The FFR is required to be sent to the Payment Management Services (PMS) on a quarterly basis with a courtesy copy being sent to the GMS. A final FFR should be sent to your GMS on an annual basis to validate final budget or project period expenditures no later than 90 days after the end of the budget or project period. All unliquidated obligations should be reconciled prior to submission of the final FFR to your GMS.

- Before submitting FFRs, recipients must ensure that the information submitted is accurate, complete, and consistent with the recipient's accounting system. The authorized organizational representative’s signature on the FFR certifies that the information in the FFR is correct and complete and that all outlays and obligations are for the purposes set forth in grant documents, and represents a claim to the Federal government. Filing a false claim may result in the imposition of civil or criminal penalties.
Federal Financial Report
SF–425


Division of Grants Management FFR reporting requirements:

- A final FFR should be sent to your GMS on an annual basis to validate final budget period or project period expenditures for your grant programs no later than 90 days after end of the budget or project period. Only final expenditures should be included in this report.

- The SDPI budget periods and final FFR due dates are as follows:
  
<table>
<thead>
<tr>
<th>Cycle</th>
<th>Start Date</th>
<th>End Date</th>
<th>FFR Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cycle I</td>
<td>Oct 01 – Sep 30</td>
<td></td>
<td>December 30</td>
</tr>
<tr>
<td>Cycle II</td>
<td>Jan 01 – Dec 31</td>
<td></td>
<td>March 31</td>
</tr>
<tr>
<td>Cycle III</td>
<td>Apr 01 – Mar 31</td>
<td></td>
<td>June 30</td>
</tr>
<tr>
<td>Cycle IV</td>
<td>Jun 01 – May 31</td>
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<td>August 31</td>
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Federal Financial Report
SF–425


Payment Management Services FFR reporting requirements:

The FFR cash transaction report is required quarterly. The FFR must be filed within 30 days of the end of the calendar quarter. If PMS does not receive your report by the due date, funds may not be released until the report is completed.

Calendar quarters are:
Oct 01–Dec 31
Jan 01–Mar 31
Apr 01–Jun 30
Jul 01–Sep 30
In some cases, the recipient may have to revise or amend a previously submitted FFR. When the revision results in a balance due to the OPDIV (IHS), the recipient must submit a revised FFR whenever the overcharge is discovered, no matter how much time has lapsed since the original due date of the report. Revised expenditure reports representing additional expenditures by the recipient that were not reported to the OPDIV (IHS) with the 90-day time frame may be submitted to the GMS with an explanation for the revision. The explanation should indicate why the revision is necessary and describe what action is being taken by the recipient to preclude similar situations in the future.
Delinquent Financial Reporting

- Failure to submit required financial reports within the time allowed may result in suspension or termination of an active grant, withholding of a non-competing continuation award, or other enforcement actions, including withholding of payments or converting to the reimbursement method of payment. Continued failure to submit required reports may result in the imposition of special award provisions or cause other eligible projects or activities involving the recipient to not be funded.

- Submission of a required report does not necessarily fulfill the recipient’s obligation. Such reports must also meet the content requirements in regulations or other grant terms. Where reports need to be revised in order to be accepted, the recipient must provide a revised report by the due date indicated or immediate fund cutoff or other enforcement actions may be taken with regard to the delinquency.
For additional information regarding IHS Financial Reporting please contact your assigned GMS directly or you may call the DGM main line of (301) 443–5204.

If you find further assistance is needed please contact:

Ms. Tammy Bagley  
Acting Director, CGMO, GPO  
[Tammy.Bagley@ihs.gov](mailto:Tammy.Bagley@ihs.gov) 
(301) 443–7172

Mrs. Denise Clark  
Grants Mgmt Officer  
[Denise.Clark@ihs.gov](mailto:Denise.Clark@ihs.gov) 
(301) 443–2215
Helpful website links for additional guidance

- Division of Grants Management website

Payment Management Services website
- [http://www.dpm.psc.gov/grant_recipient/ffr_info/ffr_info.aspx](http://www.dpm.psc.gov/grant_recipient/ffr_info/ffr_info.aspx)
How to Submit a Financial Report to your GMS in GrantSolutions

- Find your grant on the My Grants List page.
- Click the Grant Notes link.
- Click the Add button at the bottom of the Grant Notes page.
- Fill out the top section. Each field is required. The subject must be short but descriptive.
- In Note Attachments, enter a description of the file.
- Click Browse to find and upload your file, just like attaching a file to an e-mail message.
- Click Upload on the Grant Notes page.
- Once you’ve uploaded all of your files, click Submit.
For technical grants management concerns or information required to submit your report, please contact your Grants Management Specialist, listed on your Notice of Award or contact our main line on (301) 443–5204.

For system related questions about GrantSolutions, please contact Paul Gettys, Grant Systems Coordinator.

- E-mail – Paul.Gettys@ihs.gov
- Phone – 301–443–2114
The Division of Grants Management would like to take this opportunity to thank you for being a part of this Grants Management sponsored training. DGM is dedicated to Empowering our IHS grant community with the required knowledge and training needed for continued compliance of IHS policies, Indian laws, and HHS legislative and regulatory requirements.