

U.S. Department of Housing and Urban Development

Office of Lead Hazard Control and Healthy Homes New Grantee Orientation

It's All in The Numbers

Aaron Mitchell, GTR



2022 Healthy Homes Production and Older Adult Home Modification New Grantee Orientation

Training Topics

- **Purpose of each Form**
- **Submission Requirements**
- **Completing the SF-425 and Part 3 Forms**
- **Common Errors**
- **Things to Remember**

The Federal Financial Report (SF 425) and Part 3 Forms

The SF-425 and Part 3 are two of the most important Federal Financial Report forms that Grantees will use to track:

- **obligations**
- **cash receipts, disbursements, and**
- **remaining funds.**

We will cover the do's and don'ts of filling out both forms.

Purpose of the SF 425

- **The SF-425 form also referred to as the Federal Financial Report (FFR) 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.**
- **The form captures the obligations and disbursements that occurred during the entire grant period not just the quarter being reported. It is cumulative and provides a sum of expenditures for the life of a grant.**
- **To arrive at your cumulative total, add all expenses incurred to date.**
- **A separate SF-425 must be completed for each grant!!**

Submission Requirements

- Required by HUD grant agreement to submit SF-425;
- Submit SF-425 no later than 30 calendar days after close of each quarter (3/31, 6/30, 9/30, and 12/31);
- Submit every Quarter, regardless whether expenses incurred or not, once project has begun;
- Complete all lines, (if no expenses, enter \$0.00 or N/A)
- If expenses have not yet been incurred during life of the grant, report a zero cumulative total;
- If delinquent in prior period reporting, submit delinquent report for each missing quarter; and
- A Final SF-425 must be submitted no later than 120 days after the Period of Performance end date.

Completing the SF-425

FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted U.S. Department of Housing and Urban Development, Office of Housing Counseling		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)		Page 1	of 1 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 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)		To: (Month, Day, Year)		9. Reporting Period End Date (Month, Day, Year)	



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	of
		HC150941006		1	1
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 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)		To: (Month, Day, Year)	9. Reporting Period End Date (Month, Day, Year)		



FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted U.S. Department of Housing and Urban Development, Office of Housing Counseling		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) HC150941006		Page 1	of 1 pages
3. Recipient Organization (Name and Address) (City, State, Zip code) XYZ Housing Counseling Agency, 6500 Highway Avenue, Washington, DC 20002					
4a. DUNS Number 069500251	4b. EIN 43-1569215	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)		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) 10/01/2014			To: (Month, Day, Year) 03/31/2016		9. Reporting Period End Date (Month, Day, Year) 09/30/2015



Basis of Accounting – block 7

- **Cash Accounting – Expenses reported when paid**
- **Accrual Accounting – Expenses reported when occurred, not paid (entered a contract, etc.)**

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	\$5,000
b. Cash Disbursements	\$5,000
c. Cash on Hand (line a minus b)	\$0

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 drawn down (LOCCS)
- b) Cash Disbursements – amount of federal funds paid out
 - Grantees on the Cash based accounting system: (a) should equal (b)
 - Grantees on the Accrual based accounting system: (b) is usually greater than (a)
- c) Cash on Hand
 - **Cash based accounting** should be \$0.00 as recipient should not have drawdown any funds greater than that expended. If line (c) is greater than \$0.00 an explanation must be provided under **Block 12 Remarks**
 - **Accrual based accounting should be \$0.00, however,** not uncommon if a negative number (b may be greater than a) representing accrued costs where you haven't received your request for reimbursement or paid back expenditures from reimbursement. **Block 12 Remarks**

(Use lines d-o for single grant reporting)

Federal Expenditures and Unobligated Balance:

d. Total Federal funds authorized	\$15,000
e. Federal share of expenditures	\$4,950
f. Federal share of unliquidated obligations	\$0
g. Total Federal share (sum of lines e and f)	\$4,950
h. Unobligated balance of Federal funds (line d minus g)	\$10,050

Block 10 Transactions (cont'd)

Federal Expenditures and Unobligated Balance:

d.) Cumulative obligated (awarded) amount of federal funds to include original obligation and any modifications

e.) Cumulative federal dollars paid out as of the reporting period end date (usually the same as Line (b.)) Disbursements

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 SF-425/FFR

Cumulative expenditures

For Example:

- For the reporting period 07/01/18 to 09/30/18, Federal expenditures = \$5,000
- For the reporting period 10/01/18 to 12/31/18, Federal expenditures = \$3,310

Federal Expenditures		
Period Ended 09/30/2018		
and Unobligated Balance:		15,000
Total Federal funds authorized		5,000
Federal share of expenditures		-
Federal share of unliquidated obligations		5,000
Total Federal Share (sum lines e & f)		10,000
Unobligated balance of Federal funds (line d minus g)		
Period Ended 12/31/2018		
and Unobligated Balance:		
Federal Expenditures		15,000
Total Federal funds authorized		15,000
Federal share of expenditures	\$5,000 + \$3,310	8,310
Federal share of unliquidated obligations		-
Total Federal Share (sum lines e & f)		8,310
Unobligated balance of Federal funds (line d minus g)		6,690

Recipient Share:		
i. Total recipient share required	\$200,000.00	NA
j. Recipient share of expenditures	\$120,000.00	NA
k. Remaining recipient share to be provided (line i minus j)	\$80,000.00	NA

RECIPIENT SHARE:

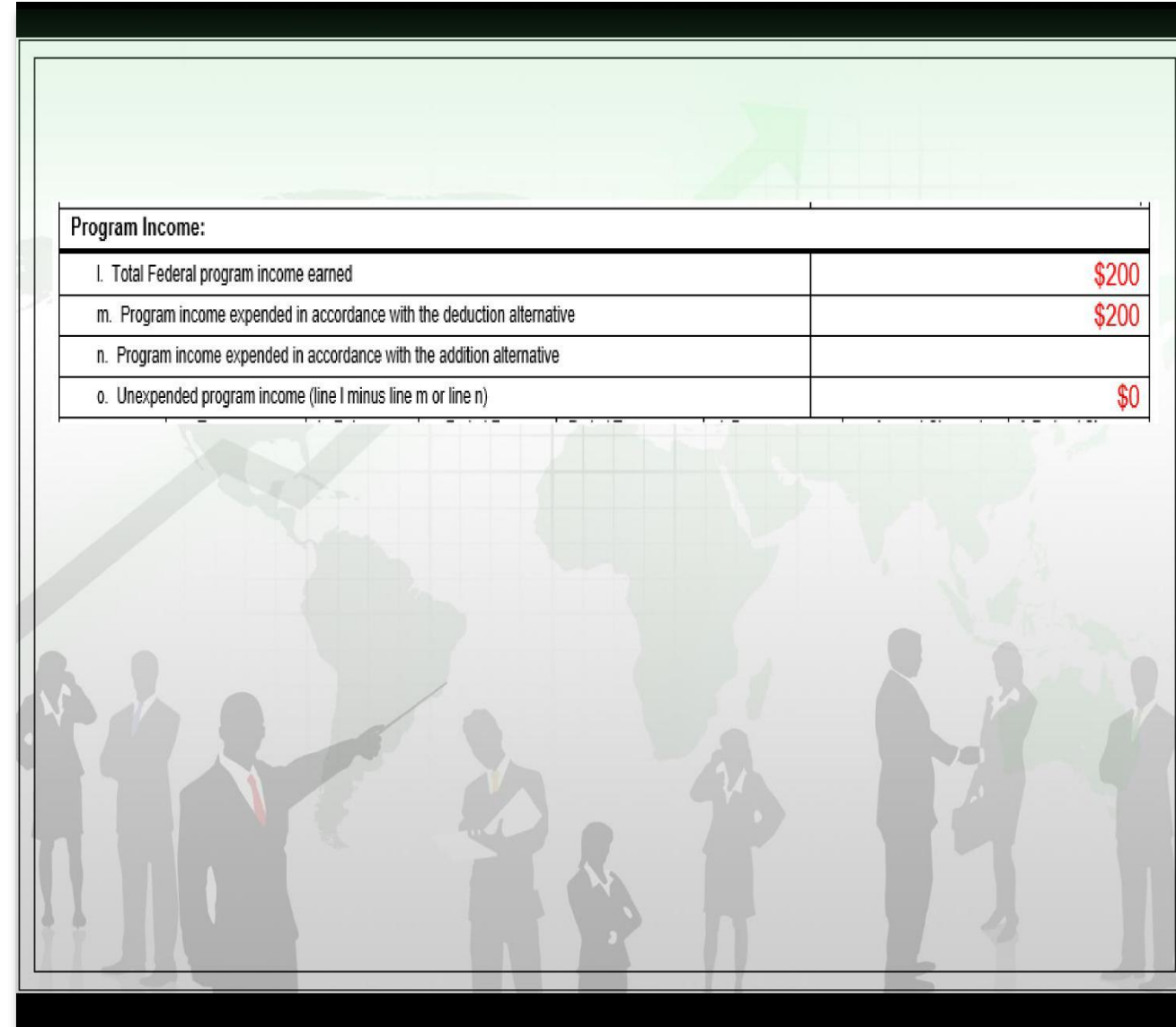
This section must be completed with your ***match requirement*** according to the grant agreement.

COMPLETING THE SF-425/FFR

PROGRAM INCOME:

- This section must be completed if the recipient generates any income as a result of work performed under this Award.
- If no income will be generated Lines (l), (m), (n) and (o) should be marked N/A.
- Program Income must be spent prior to expending grant funds and should not accumulate.

Program Income:	
l. 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	
o. Unexpended program income (line l minus line m or line n)	\$0




11. Indirect Expense	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
	Provisional	10%	01/01/2012	12/31/2016	\$4,500	\$450	\$450
				g. Totals:	\$4,500	\$450	\$450

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. Ex: 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)
- Enter Totals(g) for columns 11(d), 11(e), and 11(f)

12. <i>Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:</i>	
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) 410-309-4929, ext. 201
	d. Email address robinb@bmc-llc.net
b. Signature of Authorized Certifying Official Robin L. Booth, CPA	e. Date Report Submitted (Month, Day, Year) 09/30/2015

Block 12. Remarks

Enter or attach any explanation recipient feels should be included with the report.

Block 13. Certification

Please make sure 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 for SF-425



COMMON ERRORS for SF-425

FEDERAL FINANCIAL REPORT				
(Follow form instructions)				
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8. Project/Grant Period From: (Month, Day, Year)		To: (Month, Day, Year)	9. Reporting Period End Date (Month, Day, Year)	
10. Transactions			Cumulative	

Incomplete forms

Not reporting the correct grant number

Not capturing the accurate reporting type (Quarterly or Final)

Not reporting the accurate reporting period end date

COMMON ERRORS for 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	
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.**
- **10(c) – Cash on Hand is not \$0 due to Positive/Negative cash flow or waiting on eLOCCS reimbursement. Explain in Block 12 Remarks.**

COMMON ERRORS for SF-425

<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)	
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. Do not include any program income expended.

10(f), Not reporting all incurred expenses owed (unliquidated obligations).

COMMON ERRORS for SF-425

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 for SF-425

12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:

Add Attachment

Delete Attachment

View Attachment

12	Remarks	Enter any explanations or additional information required by the Federal sponsoring agency including excess cash as stated in line 10c.
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Not including Remarks in block 12 for the following exceptions:

- Cash on hand;
- Unobligated balance of Federal funds; and
- Unexpected Program Income.



Completing the Part 3

Part 3 Form

The Part 3 is a summary of costs reimbursed through LOCCS for each budget category – MUST BE SIGNED

Includes Administrative Costs Summary and Match Commitment Summary

Grantees will fill this out both manually in the Budget Workbook and electronically in HHGMS within the LOCCS request.

Grantees are to use the Part 3 – Financial Reporting Form in accordance with OLHCHH Policy Guidance PGI 2015-02, “Line of Credit Control System (eLOCCS) Reimbursement Procedures”.

Submission of the Part 3 Form

With each eLOCCS submission the Grantee shall submit to the GTR a copy of the original signed Voucher.

The voucher shall be supported by the signed Part 3 found in the Excel Budget Workbook, which is a detailed breakdown of the cost(s).

With each budget revision, your Part 3 will be updated through the Excel Budget Workbook you must use.

Part 3 Form

**PART 3
FINANCIAL REPORTING
HUD Lead Hazard Control Grants**

Grant Agreement Number: _____
 Grant Organization: _____
 Report Period: _____ 2014

BUDGET CATEGORIES*	NEGOTIATED BUDGET	APPROVED LOCCS DRAWDOWNS THIS PERIOD*	CUMULATIVE LOCCS DRAWDOWNS TO DATE*	AVAILABLE BALANCE
1. Personnel (Direct Labor)	600,412.80	\$14,170.23	354,311.40	206,101.40
2. Fringe Benefits	244,033.12	\$7,562.36	160,280.24	83,752.88
3. Travel	20,727.00	-	6,022.17	14,704.83
4. Equipment	-	-	-	-
5. Supplies and Materials	23,538.71	-	7,223.02	16,315.69
6. Consultants	-	-	-	-
7. Contracts / Sub-Grantees /				
7a. Mustardseed	29,400.00	-	20,400.00	9,000.00
7b. LHC - Owner Occupied	556,500.18	\$28,156.00	408,780.00	147,720.18
7c. LHC - Rental	326,751.15	-	206,249.00	60,502.15
7d. Healthy Homes Inter...	160,000.00	\$8,239.05	103,970.00	76,030.00
	4,000.00	-	144.16	3,855.82
	68,000.00	-	-	68,000.00
	76,500.00	-	-	76,500.00
	76,500.00	-	42,675.00	33,825.00
7e. City or independent...	85,000.00	-	8,850.00	76,150.00
7f.	-	-	-	-
7g.	-	-	-	-
7h.	-	-	-	-
7i.	-	-	-	-
Subtotal Item 7	1,402,651.33	36,395.00	851,568.16	551,583.15
8. Other Direct Costs	188,637.04	\$1,510.46	102,360.63	86,276.41
9. Indirect Costs	-	-	-	-
10. TOTALS*	2,480,000.00	59,646.05	1,521,263.64	958,734.36

Negotiated Budget

LOCCS REQUEST

Cumulative Loccs including Request

Available Balance including request

Negotiated budget must match last approved budget document.

NO negative balances can result from draw being approved.

Part 3 Form

Admin Sub
Report
Breakdown

FINANCIAL REPORT HUD Lead Hazard Co.

Grant Agreement Number:	
Grant Organization:	MO Health Department
Report Period:	May Year 2014

Administrative Cost Summary

BUDGET CATEGORIES*	NEGOTIATED BUDGET	APPROVED LOCCS DRAWDOWNS THIS PERIOD*	CUMULATIVE LOCCS DRAWDOWNS TO DATE*	AVAILABLE BALANCE
1. Personnel	102,641.92	2,839.84	70,464.34	32,077.58
2. Fringe Benefits	41,663.29	1,154.39	34,070.10	7,613.19
3. Travel	20,727.00		6,022.17	14,704.83
4. Equipment			-	
5. Supplies and Materials	12,966.00		7,103.37	5,862.63
6. Consultants			-	
7. Contracts / Sub-Grantees /			-	
8. Other Grant Costs	17,400.00	0.46	12,292.55	5,107.45
10. TOTALS ADMIN COSTS*	195,338.21	3,994.69	129,952.53	65,385.68

* Administrative costs included in totals expended are not to exceed 10-percent.

No Negative Balances can results from the requested draw.

Part 3 Form



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Match Commitment Summary		
Source of Match Funds	Eligible Activities	Amount this Quarter
In-kind cont	staff time	\$12,137

Match Commitment Summary		
Total Match Commitment	Total Match This Quarter	Cumulative Match
\$252,630	\$12,137	\$178,722

*Ensure the source is eligible
and specific details given.*

Total should
always
match the
amount on
1044

Running Total for
draws in the
quarter.
Cumulative for
Quarter End
should match FFR
425

Running
totals
all
quarters
to date.

Part 3 and HHGMS



Grantee Request

LOCCS

Edit

Close Grantee Request

Take Ownership



Priority	Category	Case Number	Status
Medium	LOCCS	00029783	Closed

Case Owner

[Aaron Mitchell](#)



Case Number

00029783

Contact Name

Grant Award

Additional Information

Case Reason

LOCCS Accepted

Contact Phone

Contact Email



LOCCS Request (1)

Budget Categ...	Grantee Reque...	Grantee Report	Year
22955	LOCCS Accepte...	38477	2022



View All



Files (3)

Add Files

Categories in HHGMS Equal the Categories in the Part 3

▼ Budget Items

Personnel (BI) ⓘ
\$9,484.44

Travel (BI) ⓘ
\$0.00

Supplies and Materials (BI) ⓘ
\$130.66

Contracts/Sub-Grantees (BI) ⓘ
\$0.00

Other Direct Costs (BI) ⓘ
\$2,432.06

LOCCS Drawdowns This Period (BI)
\$15,763.61

▼ Administrative Costs

Personnel (AC) ⓘ
\$1,423.40

Travel (AC) ⓘ
\$0.00

Supplies and Materials (AC) ⓘ
\$39.20

Contracts/Sub-Grantees (AC) ⓘ
\$0.00

Indirect Costs (AC) ⓘ
\$0.00

LOCCS Drawdowns This Period (AC)
\$3,298.84

▼ Match/Leverage Commitment

Source of Funds (MC) ⓘ
City of Anytown USA

Fringe Benefits (BI) ⓘ
\$3,716.45

Equipment (BI) ⓘ
\$0.00

Consultants (BI) ⓘ
\$0.00

Healthy Homes Supplement (BI) ⓘ
\$0.00

Indirect Costs (BI) ⓘ
\$0.00

Fringe Benefits (AC) ⓘ
\$533.03

Equipment (AC) ⓘ
\$0.00

Consultants (AC) ⓘ
\$0.00

Other Direct Costs (AC) ⓘ
\$1,303.21

Eligible Activities Completed (MC) ⓘ
administrative services

Common Errors for Part 3



Common Errors for Part 3

Negative numbers in Available Balance

Draw from the wrong budget line item requiring a reconciliation – speak with your GTR on best way to handle

Scratch out or corrections – must be typed and correct

Signature is missing

Does not match current revised budget

Ensure categories in HHGMS equal budget line items in Part 3

THINGS TO REMEMBER

Double-check

Double-check to make sure the SF-425 and Part 3 are completed correctly and contain all required information and signatures.

Have

Have a copy of your HUD-1044 award notification available for reference purposes.

Maintain

Maintain copies of the last reported SF-425 (to refer to). If you are a new grantee, this would be the 1st report.

Report

Report program expenses and program income on the same accounting basis (either cash or accrual).

Submit

During closeout, Grantees must submit a completed SF-425 and Final Voucher including the Part 3. The balance reported on the SF-425 and the Part 3 **MUST** agree with the balance reported in LOCCS and in HHGMS.

Questions



Policy References

- 2015-02 - Updated eLOCCS Procedures
- 2015-01 - Clarification of Costs for LBPHC & LHRD Grant Program
- 2020-06 - Closeout Procedures for OLHCHH Grantees

https://www.hud.gov/program_offices/healthy_homes/lbp/pg



Thank You!