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# Federal Financial Reports and Program Income

Corporation for  
NATIONAL &  
COMMUNITY  
SERVICE 



Financial and Grants Management Institute  
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# You need to know . . .

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The information in this session is based on CNCS and Federal laws, rules, and regulations; CNCS grant terms and provisions; and generally accepted accounting and financial principles and practices.

Some state commissions, national grantees, or parent organizations may impose additional requirements.



# Welcome . . .

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- Introduction of trainer and CNCS staff
- Program types represented
  - Senior Corps, AmeriCorps, SIF, NCB, 9/11, MLK
- Questions
  - As we go . . . ask clarifying questions and provide your experiences
  - Questions at the end as time permits
- We will do small group activities as time permits



# Session Objectives

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1. Understand your role in preparing the Federal Financial Report
2. Review highlights of the Federal Financial Report and Program Income
3. Identify and answer Questions



# FFR – What is it?

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- ❑ Federal Financial Report, aka: FFR
- ❑ A consolidated Federal cash and Federal expenditure report
- ❑ Government-wide standard for reporting periods and due date
- ❑ Agencies determine which data elements to collect

**Fixed-Amount Grants ≠ FFR**



# FFR Basics for CNCS grantees

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- Currently, grantees must submit 2 FFRs:
  - 1 → CNCS and 1 → HHS/PMS
  - Until notice is given
  - The two reports must reconcile at closeout



# FFR: AmeriCorps

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- AmeriCorps grantees are required to report all other Federal funds used as match
  - Annually
- How?
  - CNCS is working to update eGrants so this data can be reported with the eGrants FFR expenditure data
  - Currently, submit this data via the spreadsheet provided



# FFR Due Dates

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- HHS/PMS FFR → Due 30 days after the calendar quarter ends
  - Final is due 90 days after grant ends
- CNCS FFR → Due dates are outlined in the terms and conditions of the grant award
  - Usually due semi-annually
  - Final is due 90 days after grant ends
- Always be on time – or face penalties



# FFR – Senior Corps

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FFR fields used by Senior Corps grantees to report demographic information have been moved to the Progress Report

- FGP and SCP grantees will find two additional data fields in the Progress Report that will be used to determine compliance with the *Direct Benefit Ratio* (DBR) requirement for the stipend programs
- These lines appear in eGrants for FGP and SCP grants only



# FFR – What is Collected?

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- Questions 10 a, b, and c
  - Federal cash reported to the Payment Management System on a quarterly basis
  - Cash: receipts, disbursements, and on hand
- Questions 10 d through o
  - Federal expenditures, cash and in-kind match, and program income
- Question 11
  - Indirect expenses



### 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)	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		
<i>(Use lines a-c for single or multiple grant reporting)</i>						
<b>Federal Cash (To report multiple grants, also use FFR Attachment):</b>						
a. Cash Receipts						
b. Cash Disbursements						
c. Cash on Hand (line a minus b)						
<i>(Use lines d-o for single grant reporting)</i>						
<b>Federal Expenditures and Unobligated Balance:</b>						
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)						
<b>Recipient Share:</b>						
i. Total recipient share required						
j. Recipient share of expenditures						
k. Remaining recipient share to be provided (line i minus j)						
<b>Program Income:</b>						
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)						
11. Indirect Expense	a. Type	b. Rate	c. Period From	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)			
b. Signature of Authorized Certifying Official			d. Email address			
			e. Date Report Submitted (Month, Day, Year)			
14. Agency use only:						

# FFR

“Report Type” drop down option

Total Recipient Share Required

Remaining Recipient Share to be Provided

Program Income

Remarks – Indicate other Federal funds expended

See Handout 1

**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.

# Reporting Other Federal Funds as Match

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- AmeriCorps
  - Serve America Act of 2009 requires grantees and subgrantees to report the amounts and sources of Federal funds used to carry out programs
  - Report this on spreadsheet provided by CNCS
  - October 2012 – report on eGrants FFR may be possible

**See Handout 2**



# FFR – Issues & Pitfalls

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- Late Reporting
  - Deemed out of compliance
    - CNCS assessment tool
  - Potential sanctions
    - Funds placed on manual hold
    - Future funding at risk
- Accounting records do not support funds reported on the FFR



# FFR - Resources

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## Links to FFR:

- ❑ [www.whitehouse.gov/omb/grants/standard\\_forms/ff\\_report.pdf](http://www.whitehouse.gov/omb/grants/standard_forms/ff_report.pdf)
- ❑ <http://www.dpm.psc.gov/>

## Links to Resources:

- ❑ [www.nationalservicerresources.org/ffr](http://www.nationalservicerresources.org/ffr)
- ❑ [www.nationalservicerresources.org/files/FFR-FAQs.pdf](http://www.nationalservicerresources.org/files/FFR-FAQs.pdf)
- ❑ [www.nationalservicerresources.org/files/program-income-FAQs.pdf](http://www.nationalservicerresources.org/files/program-income-FAQs.pdf)

**See Handout 3**



# Group Activity

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## FFR - Best Practices

- Within each group table, discuss best practices that your organization implements dealing with the FFR to include:
  - How you educate staff about the FFR
  - What staff is involved in preparing the FFR
  - How you ensure actual expenses reported on the FFR reconcile to your accounting records
  - What process you follow to ensure timely submission of the FFR



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# Program Income on the FFR



# Program Income – Defined

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- OMB defines program income as:
  - Gross income earned by the grantee that is directly generated by a grant supported activity
    - Includes: Income from fees for services performed
    - Does not include: Interest earned on advances of Federal funds
- Program income included as grantee share
- Excess program income recorded on FFR

Program income does **NOT** include

➔ revenue that is not a result of participant activities



# Program Income

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- ❑ **Gross Program Income** – All funds collected as a direct result of grant funded-activities
- ❑ **Net Program Income** – The amount after deducting costs associated with generating the income
- ❑ **All Program Income** must be used for grant-related purposes
- ❑ **Program Income and the supporting documentation** is “auditable”



# Program Income

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- There are 2 alternatives to using excess program income:
  - Additive – added to funds committed to the program and used to further program objectives
  - Deductive – deducted from total allowable costs of the program to determine the net allowable costs for which the Federal share is based
- Consult grant terms and conditions to determine deductive or additive alternative



# Program Income – Most Common Error

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- Program Income used as match was erroneously reported as Program Income
  - *Corrective Action:* If all your program income was used as match, your Program Income line on the FFR should be blank

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)



# Group Activity

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## Program Income - Best Practices

- Within each group table, discuss best practices that your organization implements dealing with Program Income to include:
  - How you educate staff about Program Income
  - Which staff is involved in tracking Program Income
  - What documentation is prepared and maintained to track Program Income
  - How you ensure program income is correctly reported on the FFR

# Taking it Home!

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1. Continue to submit your reports on time to CNCS and HHS/PMS
2. Report excess Program Income only – if you used it as match, the FFR should be blank
3. Implement best practice suggestions for the FFR and Program Income



# Questions?

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Open

Wrap Up

Evaluation

# For More Information

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- **Contact your CNCS Grants Officer**

- E-mail or call your Grants Officer

- **Contact MBI Consulting**

- Financial & Grants Management Training and Technical Assistance Provider

- Telephone: 301-986-1595, ext. 110

- E-mail: [cforrester@mbicfs.com](mailto:cforrester@mbicfs.com)

- **Visit the Resource Center**

- Online tools and training

- [www.nationalserviceresources.org/financial-and-grants-management](http://www.nationalserviceresources.org/financial-and-grants-management)

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