



FEDERAL FINANCIAL REPORTING (STANDARD FORM 425) COMPLETION TRAINING

Presentation for:

GPD GRANTEES

Presented By

Office of Business Oversight

REVISED: January 12, 2022



Agenda

Topic	Speaker	Duration
Welcome & Introductions	GPD	5 mins
Purpose of the SF-425	OBO	
Reporting Timelines & Submission Details	OBO	10 mins
Reporting Requirements		
Completing the SF-425	OBO	45 mins
Things to Remember	OBO	5 mins
Helpful Hints		
Representative Supporting Information	GPD/OBO	10 mins
References	OBO	
Open Discussion / Q&A	All Participants	15 mins



Welcome & Introductions

- **Welcome message by GPD** – Yvette Green
- **OBO Team Members** – Jeff Brean, Omar Ochoa, Tony Huff, Nick Rayo, Christian Lopez Gavilan, Myra Bennett
- **Training objectives:**
 - Provide guidance related to completing the Standard Form (SF) 425
 - Highlight key considerations and common errors
 - Help answer any clarifying questions from grant recipients
 - Help clarify the updated process to submit your completed forms via email directly to VA GPD



Purpose of the SF-425

- Required Office of Management and Budget (OMB) financial reporting form to track the status of financial data tied to a particular Federal grant award.
- Captures the obligations and disbursements that occurred during the grant period (not just the period being reported).
- Communication tool to report on the financial health of the grant and demonstrate appropriate use of funds to VA.



Note: A **separate** SF-425 must be done **for each grant award**.



Reporting Timelines

- All Grants recipients must submit **annual** SF-425 forms on a **Federal fiscal year-end (9/30) basis for the entire year**.
- A **final** SF-425 is required once the grant's performance period is completed. The reporting period end-date should be the same as the grant performance period end-date.

Grant Type	Reporting Period	Due Date(s)
All Grant Types	Annual	Must be submitted no later than 120 days after Federal fiscal year-end (9/30) Submission due no later than 1/31
All Grants	Final	Must be submitted no later than 120 days after grant period end

- All SF-425 forms must be submitted to the fillable form link: <https://forms.office.com/r/JNSVnng5g8>
- Also, please submit a PDF of the SF-425 and the related general ledger tie-out to GPD425@va.gov with the grantees' FAIN in the subject line.



Reporting Requirements

Report Submission Supplemental Information

- If recipients need more space to support their SF-425, supplemental pages or relevant attachments may also be submitted with the submission.
- Additional pages must indicate the following reference information at the top of each page: Federal grant or other identifying number (if reporting on a single award), recipient organization, Data Universal Numbering System (DUNS) number, Employer Identification Number (EIN), and period covered by the report.

Note: For single award reporting:

- Federal agencies may require both cash management information on lines 10a through 10c and financial status information lines 10d through 10o.
- Amounts reported at 10b and 10e may not be the same until the final report.



Knowledge Check 1

1. How often are Grantees required to submit an SF-425 form?
 - a. Monthly
 - b. Quarterly
 - c. Semi Annually
 - d. **Annually**



Knowledge Check 2

1. What information must be included at the top of each supplemental attachment to the SF-425 form?
 - a. Grant Number
 - b. DUNS Number
 - c. Recipient Organization
 - d. EIN Number
 - e. All of the Above



Completing the SF-425 (Blocks 1-3)

1. Federal Agency and Organizational Element to Which Report is Submitted

Department of Veterans Affairs - Grand Per Diem Program

2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)

VETS832-0325-502-SI-18-0

3. Recipient Organization (Name and complete address including Zip code)

Recipient Organization Name: Veterans for Veterans Foundation

Street1: 1775 Chester Puller Way

Street2:

City: Austin

County:

State: TX: Texas

Province:

Country: USA: UNITED STATES

ZIP / Postal Code: 78784-3456

- **Block 1: Federal Agency and Organizational Element to Which Report is Submitted:** Enter Department of Veterans Affairs office as identified in Grant Agreement.
- **Block 2: Grant Number Assigned by GPD:** Enter GPD Grant Agreement Number only (no other grant agreement reference numbers should be included).
- **Block 3: Recipient Organization:** Enter name and complete business address including Zip code.



Common Errors

1. Incomplete forms
2. Not reporting the applicable grant number correctly
3. Inaccurate reporting type and reporting period end date
4. Inaccurate basis of accounting



Completing the SF-425 (Blocks 4-7)

4a. DUNS Number 111017751	4b. EIN 03-037761	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment) 2345	
6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Final	7. Basis of Accounting <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual	8. Project/Grant Period From: 10/01/2016 To: 09/30/2020	9. Reporting Period End Date 09/30/2019

- **Block 4a: DUNS:** Enter Recipient Data Universal Numbering System (DUNS) number.
- **Block 4b: EIN:** Enter Recipient Employer Identification Number (EIN).
- **Block 5: Recipient Account or Identifying Number:** Enter account number or other identifying number assigned by the award. Do not enter bank account information.
- **Block 6: Report Type:** Select appropriate report type. Report type should be “Annually” for interim-period reports and “Final” for the final report.
- **Block 7: Basis of Accounting:** Select accounting method. Cash basis refers to the accounting method in which expenses are recorded when they are paid. For accrual basis, expenses are recorded when incurred.

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Common Errors

1. Incomplete forms
2. Not reporting the applicable grant number correctly
3. Inaccurate reporting type and reporting period end date
4. Inaccurate basis of accounting



Knowledge Check 3

1. All GPD Grantees are required to complete an SF-425 for each grant award separately.
 - a. True
 - b. False



Completing the SF-425 (Blocks 8-9)

8. Project/Grant Period		9. Reporting Period End Date
From:	To:	
<input type="text" value="10/01/2016"/>	<input type="text" value="09/30/2020"/>	<input type="text" value="09/30/2019"/>

- **Block 8: Project/Grant Period:** Enter the full period of performance the grant and include day, month, and year.

Example: Shows multi-year performance period from October 1, 2016 to September 30, 2020

Note: If you were awarded a multi-year grant, the reported period here will be reflective of the start and end dates identified in the grant agreement.

- **Block 9: Reporting Period End Date:** Enter the period end date for which the SF-425 is being submitted.

Example: Annual Reporting Period End Date entered as September 30, 2019. If this was a final report, the end-date of the grant, September 30, 2020, would have been reported in Block 9.

Common Errors

1. Block 8 - Performance period reported does not reconcile to the performance period stated within the grant agreement and related modifications
2. Block 9 – Information gathered for reporting purposes does not align with the stated reporting period date



Completing the SF-425 - Federal Cash (Block 10): a-c

Federal Cash (To report multiple grants, also use FFR Attachment):	
a. Cash Receipts	\$10,000
b. Cash Disbursements	\$10,000
c. Cash on Hand (line a minus b)	\$0.00

FEDERAL CASH: Enter cumulative amounts for the current reporting period.

Block 10a: Cash Receipts: Enter the amounts of Federal funds received from VA for the GPD grant as of the reporting period end date.

- **Block 10b: Cash Disbursements:** Enter the total amount of Federal funds disbursed against the grant award as of the reporting period end date. This amount cannot exceed the amount in 10a for annual reports.

Example: If a Grantee received \$10,000 in per diem from the Federal government and has spent \$15,000 on the GPD program, enter \$10,000 for Block 10b.

- Cash Receipts is the maximum ceiling for funds allowed to be charged to the GPD program. Expenditures in excess of the amount of Cash Receipts shall be accounted for separately within the General Ledger, reflecting the use of other funding sources.



Key Items

1. Block 10a – **Do not** include contributions, donations, or other income.
2. Block 10b cannot exceed Block 10a



Completing the SF-425 - Federal Cash (Block 10): a-c (cont.)

Federal Cash (To report multiple grants, also use FFR Attachment):	
a. Cash Receipts	\$10,000
b. Cash Disbursements	\$10,000
c. Cash on Hand (line a minus b)	\$0.00

- **Block 10c: Cash on Hand (Line 10a Minus 10b):** Subtract Cash Disbursements (b) from Cash Receipts (a) to calculate total Cash on Hand.

If the Federal funds withdrawn (10a) is greater than the amount spent (10b), then this number will be positive. If (10a) is equal to (10b), this number will be zero. Cash on Hand cannot be negative.

1. Example: If a Grantee received \$10,000 (Cash Receipts) from the Federal government, and expended the ceiling of \$10,000 (Cash Disbursements), the form will automatically calculate \$0 for Block 10c.



Key Items

1. Block 10b cannot exceed Block 10a
2. Block 10c cannot be negative



Completing the SF-425 - Federal Expenditures / Unobligated Balance (d-h)

Federal Expenditures and Unobligated Balance:	
d. Total Federal funds authorized	\$36,000
e. Federal share of expenditures	\$24,000
f. Federal share of unliquidated obligations	\$6,000
g. Total Federal share (sum of lines e and f)	\$30,000
h. Unobligated balance of Federal funds (line d minus g)	\$6,000

- **Block 10d: Total Federal funds authorized:** Enter the total amount of GPD funds received during the reporting period. (GPD funds only)
- **Block 10e: Federal share of expenditures:** Enter the total amount of award dollars expended. Expenditures are considered the sum of cash disbursements for direct charges for property and services. (GPD funds only)
- **Block 10f: Federal Share of unliquidated obligations (accrual basis):** Enter the total amount of Federal unliquidated obligations. Unliquidated obligations are obligations which have been incurred, but for which an expenditure has not yet been recorded. On the final report this line should be zero. (GPD funds only)
- **Block 10g: Total Federal share:** Enter the sum of Federal Share of Expenditures and Federal Share of Unliquidated Obligations (Line 10e + Line 10f). (GPD funds only)
- **Block 10h: Unobligated balance of Federal Funds (10d - 10g):** Enter the difference between Total Federal Funds Authorized and Federal Share of Unliquidated Obligations (Line 10d – Line 10g). (GPD funds only)



Common Errors

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



Knowledge Check 4

1. If a Grantee's cash receipts were \$20,000 and its cash disbursements were \$8,000, what would be their cash on hand?
 - a. \$8,000
 - b. \$12,000
 - c. \$20,000
 - d. \$28,000



Knowledge Check 5

1. If a Grantee's Federal share of expenditures was \$4,000 and their Federal share of unliquidated obligations was \$6,000, what would their total Federal share be?
 - a. \$2,000
 - b. \$4,000
 - c. \$6,000
 - d. \$10,000



Completing the SF-425 - Recipient Share (Block 10): i-k

Recipient Share:	
i. Total recipient share required	0.00
j. Recipient share of expenditures	0.00
k. Remaining recipient share to be provided (line i minus j)	0.00

This section must be completed only if there is a cost share or match required by the agreement. Unless you have received a recent grant award, 10i, 10j, and 10k should be left blank.

Cost share arrangements are typically applicable to situations involving capital grants where there is some type of construction or capital improvement to a facility.

The related grant agreement will outline the cost share ratio between the VA and grant recipient, and related requirements for tracking reportable amounts.



Common Errors

1. Cost share information does not align with grant agreement terms
2. Recipient and VA share of expenditures is not calculated consistently each period



Completing the SF-425 - Program Income (Block 10): I-o

Program Income:	
I. Total Federal program income earned	4,000.00
m. Program Income expended in accordance with the deduction alternative	4,000.00
n. Program Income expended in accordance with the addition alternative	0.00
o. Unexpended program income (line I minus line m or line n)	0.00

FEDERAL PROGRAM INCOME: This section must be completed if the recipient will generate any income as a result of work performed under this agreement. If no income will be generated 10l, 10m, 10n and 10o should be left blank. For all others:

- **Block 10l: Total Federal program income earned:** Enter any income earned for the GPD program from any source outside of direct funding received from the VA. An example of Program Income would be rental income. Program income reported must be as a result of the GPD award.
- **Block 10m: Amount of Program Income expended:** Enter the amount of Program Income (10l) expended and used to reduce the Federal share of Total Cost of Veteran Care.
- **Block 10n: Program income expended in accordance with the addition alternative:** Leave blank.
- **Block 10o: Unexpended Program Income:** 10l – 10m.



Key Items

1. Block 10l – **Do not** include contributions or donations
2. Block 10l – should be total income earned, not limited to expenditures in excess of the award amount
3. Block 10m should not exceed Block 10l



Completing the SF-425 - Indirect Expense (Block 11)

11. Indirect Expense						
a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
Final	10.00	01/01/2014	12/31/2019	100,000.00	10,000.00	10,000.00
g. Totals:				100,000.00	10,000.00	10,000.00

INDIRECT EXPENSE: This section must be completed if recipient is charging indirect costs. If no indirect costs, leave blank.

- **Block 11a: Type of indirect cost rate:** Provisional, Predetermined, Final or Fixed.
- **Block 11b: Rate:** Enter rate (%) in effect during the reporting period.
- **Block 11c: Period From/ Period To:** Enter beginning and ending dates for the effective rate.
- **Block 11d: Base:** Enter 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.)
- **Block 11e: Amount Charged:** Multiply 11b and 11d.
- **Block 11f: Federal Share:** 11f should equal 11e unless charging the government less than the indirect costs incurred.
- **Block 11g: Totals:** Enter totals for columns 11d, 11e and 11f.



Common Errors

1. Block 11a – Incorrect type of rate reported
2. Block 11e – the basis for the indirect rate (10b) used does not align with the base amount (10d) to which the rate is applied
3. Block 11f – excess indirect cost is charged to the agency where and when a cost-cap is stated within the grant agreement



Knowledge Check 6

1. Which is not a type of indirect cost rate?
 - a. Provision
 - b. Final
 - c. Conditional
 - d. Predetermined



Completing the SF-425 - Remarks and Certification (Blocks 12-13)

12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:		
<input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>		
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. Name and Title of Authorized Certifying Official		
Prefix: <input type="text"/>	First Name: <input type="text"/>	Middle Name: <input type="text"/>
Last Name: <input type="text"/>	Suffix: <input type="text"/>	
Title: <input type="text"/>		
b. Signature of Authorized Certifying Official		c. Telephone (Area code, number and extension)
<input type="text"/>		<input type="text"/>
d. Email Address	e. Date Report Submitted	14. Agency use only:
<input type="text"/>	<input type="text"/>	

- **Block 12: Remarks:** Attach any explanation recipient feels should be included with the report.

Block 13: Certification:

- Type the name of the person authorized to sign this document
- E-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



Key Items

1. Block 12 – confirm with program office for any additional information that should be included with the completed SF-425
2. This form is an electronic fillable form available on the GPD website



SF-425 Assessment Results

Our results:

- Common errors that were noted:
 - Reported amount did not match the supporting GL documentation provided.
 - Documentation was not provided to support the related amounts.
 - Multiple GPD grants were combined on one SF-425 report.
 - Program income earned and disbursed were entered incorrectly or did not match the GL documentation provided



Key Takeaways

- 10b Cash Disbursements – Amount of Federal funds that have been disbursed; may not be greater than amount of Cash Receipts.
- 10e Federal Share Expenditures - Cumulative federal dollars spent should not exceed total amount of federal dollars received during the reporting period.
- 10l Program Income – This amount should represent actual additional income earned as a result of the award, not including contributions or donations.
- Amounts reported on SF-425 should be specific to the grant related activities only
 - If your organization has an active Federal contract with the VA, the related costs/expenditures should not be reported on your SF-425.



Recap: SF-425 Submission Instructions & Details

Submission Instructions (Things to Remember):

- Once the Grantee has finalized all financial records for the Fiscal Year, the Grantee should complete an electronic, fillable SF-425 form with the related financial figures.
- Once the fillable SF-425 is completed, the form should be signed via electronic signature and submitted to the following email address: GPD425@va.gov
- Annual SF-425s should be submitted no later than 120 days after the Federal fiscal year-end (i.e. 1/31).
- Final SF-425s should be submitted no later than 120 days after the grant period end date.

Note: Please type all relevant information into the SF-425 fillable form. Do not hand-write or print any records.



Things to Remember for Submission



Double-check to make sure the SF-425 is fully completed, reflects the amounts for the reported period, and contains all required information and signatures.



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



Have copies of the last reported SF-425 (to refer to), if not a new grant. If reporting on new grant for the first time, this would not apply.



Report program outlays and program income on the same accounting basis (either cash or accrual) that it uses in its normal accounting system.









Unexpended funds as reported in Blocks 10c and 10o will be owed back to the VA.



Failure to submit the complete and accurate FFR in a timely manner may delay funding and impact future funding.



Helpful Tips

-  All completed SF-425's and related questions should be addressed to the following email address: GPD425@va.gov.
-  Request an extension in writing prior to the due date for the SF-425, if additional time is needed. Extension requests should be submitted to the contact email address above.
-  Suggest compiling on a monthly basis to support an efficient process at year-end.
-  Establish calendar reminders for the annual reporting deadlines.
-  Ensure management review of completed SF-425(s) prior to submission.
-  Complete PDF electronically. Scanned copies will not be accepted.



Representative Supporting Information

Representative list of supporting information:

- Copy of grant agreement and related modifications.
- Statement of disbursements/expenditure outlay.
- Supporting general ledger, trial balance, accounting system records.
- Summary of program income sources and related details **(generated by grant activities)**.
- Summary of cost share calculations, if relevant to the scope and objectives of the grant agreement.



Note: OBO will initiate audits of completed SF-425s shortly. This list represents the type of data our team will need to complete the audit.



References

- OMB Federal Financial Reporting SF 425
- Grantee Recipient Guide
- VA Grant/Per Diem Regulations
- VA Case Management Regulations
- Financial Reporting Requirements
 - 38 CFR Part 61.66
- Program Income
 - 38 CFR Part 61.81
- 2 CFR Part 200



Questions?



Thank you for your participation in the Federal Financial Reporting (SF-425) Completion Training



GPD Provider website: https://www.va.gov/HOMELESS/GPD_ProviderWebsite.asp

For GPD Fiscal related questions: GPDGrants@va.gov.

For GPD SF-425 related questions please email GPD425@va.gov.