



Roles and Responsibilities

Introduction

When HRSA awards a grant or cooperative agreement, it creates a partnership with the recipient to ensure compliance with federal laws, regulations and policies. This protects the integrity of the overall endeavor. Timely and effective communication between a recipient and HRSA is critical throughout the entire award process but particularly in the post-award process.

This topic will address the following roles and responsibilities to assist you in managing your HRSA award:

- [Recipient](#) (you)
- [HRSA Project Officer](#) (PO)
- [HRSA Grants Management Specialist](#) (GMS)
- [Payment Management System \(PMS\) Account Representative](#)

Recipient

The recipient will implement work plans to ensure that the project's goals and objectives are achieved in an efficient and timely manner. Recipients are responsible for registering their organization in the PMS, completing regular draws of funds correlating to award expenditures, submitting quarterly disbursement reports, and submitting required performance and financial reports in Electronic Handbooks (EHBs) on time as required in the Notice of Award (NoA) "Terms and Conditions". Recipients must ensure that key project staff members attend and participate in HRSA sponsored workshops and meetings and work collaboratively with their assigned GMS and PO.

Project Officer

The PO is responsible for the technical aspect of defining and providing programmatic objectives, along with oversight of project performance. The PO collaborates with grants management staff by providing requested input on the disposition of prior approval and other requests to the GMS, and refers questionable situations to the GMS for resolution.

Grants Management Specialist

The GMS is responsible for all business management matters associated with review, negotiations, award, administration, and clarification on award regulations, policy and financial aspects of the project. The GMS will: review and make recommendations on continued Federal support, monitor compliance with award requirements and cost policies, monitor receipt of all required reports, and follow-up as necessary to obtain delinquent



reports.

Note:

The Grants Management Officer (GMO), through the GMS, is the focal point for receiving and acting on requests for prior approval or for changes in the terms and conditions of award. Only responses, such as a signed NoA, provided by the GMO are to be considered valid. Recipients that proceed on the basis of actions by unauthorized officials do so at their own risk, and HRSA is not bound by such responses.

Payment Management System Account Representative

Once a NoA is processed, the recipient is assigned to a PMS Account Representative. This Representative is responsible for managing the recipient account in the PMS which includes registration and Personal Identification Number (PIN) assignment in the PMS, managing the cash flow by reviewing, approving and monitoring the draw-down of funds, maintaining recipient relations, review and approval of the Federal Financial Report (FFR) submitted to the PMS, and the account reconciliation for closeout.

In addition to these responsibilities the PMS Account Representative provides the awarding agencies with disbursement reports and oversees debt collection.

To locate your PMS Account Representative on the [Division of Payment Management](#) website, click on “Find PMS Liaison Accountant”, or click on “Support” and select "Find PMS Liaison Accountant”.



Notice of Award

This topic will address your NoA; the legal document issued to notify the recipient that an award has been made and that funds may be requested from the designated HHS payment system. It is critical that you review all portions of your NoA upon receipt to understand the terms and conditions of your award and, if appropriate, respond to any time-sensitive requests that HRSA has included on your award.

The subject areas to be discussed include:

- [Notice of Award Overview](#)
- [Program/Grant Terms and Conditions](#)

Overview

The NoA is the official document that states the terms, conditions, and amount of an award and is signed by the Grants Management Officer (GMO) who is authorized to obligate funds on behalf of the HRSA.

The document is formatted into numbered blocks that provide specific information about the award; including administrative information, legislative and fiscal data, and names and phone numbers of grant and program office staff. For multi-year awards, the NoA also includes information on anticipated subsequent funding periods and their tentative levels of funding.

A NoA, showing the amount of Federal funds authorized for obligation and any future-year commitments, is issued for each budget period in the approved project period. A revised NoA may be issued during a budget period to effect an action resulting in a change in the budget and project period of funding, amount of support or other change in the terms and conditions of award.

The NoA will also contain attachments, which spell out additional terms and conditions of the award and enclosures that give further guidance on administrative procedures. The attachments and enclosures contain important information about awards. Recipients are urged to pay particular attention to them.

Copies of the NoA are e-mailed to each successful applicant. Copies may be sent to either the Authorized Representative or the Program Director.

- View the [Notice of Award Form](#).



On Page 1 of the Notice of Award form, sections 1-8 include basic information about the grant award including the date issued, CFDA number, award number, grant number, project period and budget period. Sections 9 and 10 list the grantee name and address and the name of the Program Director. Sections 11-14 outlines budget information. Section 15 lists the amount of non-Federal funds in support of the project; section 17 outlines the future support amount of the final project period. Page 2 provides instructions on how to access the Electronic Handbook (EHB) and outlines the applicable terms and conditions of the award. Page 3 outlines reporting requirements and provides due dates and explanations for required reports. Page 4 lists the contact information for the grantee's HRSA assigned Program Officer and Grants Management Specialist.

Program/Grant Conditions

In addition to, or in lieu of, the standard terms and conditions of award specified in the HHS GPS, HRSA may use terms and conditions for program-specific or award-specific reasons. For example, a grant condition may require the recipient to provide a revised budget, consisting of the SF-424A, the line item budget, and budget narrative within 30 days of receipt of the NoA.

Conditions always require a response by a specific date – failure to respond to the HRSA Division of Grants Management Operations (DGMO) in a satisfactory manner may result in an adverse action. Responses to conditions are submitted through the EHBs.

Program/Grant Conditions - continued

If you are a program director or other individual authorized to complete transactions in the EHBs and you need assistance with submitting a response, please refer to the “[My Tasks](#)” and “[Tracking Widget](#)” screenshots for a step-by-step walk through. Subsequently, the recipient will see a list of submissions and will be able to select and start any of the displayed submissions. The recipient can then start the submission, upload required documents and when complete, submit to HRSA. Although a submission tracking number is generated at the start of the submission, unless the recipient receives an on-screen confirmation message that the submission has been successfully submitted to HRSA, it is still in the recipient edit phase and not available to HRSA for review.

- The [My Tasks Widget](#) page in the EHBs displays a summary count of upcoming reports or submissions that are pending action by recipients including: Total number of pending tasks in green, Number of late tasks in red and Number of tasks that are due within 30 days in blue.
- The [Tracking Widget](#) page in the EHBs allows recipients to quickly check the status of the most recently submitted Applications, Prior Approval Requests, Change In Scope (CIS) Requests and Submissions.



Program/Grant Conditions - continued

Grant Program Terms

Generally informational and advisory by nature (e.g., uses and limitations of funds and post award administration), but may require a response to HRSA. For example, a grant term may describe that the current NoA is being issued in response to a Prior Approval request from the recipient to change the Program Director.

Reporting Requirements

This area contains the various reporting requirements and their due dates. These requirements may be submission of financial or programmatic reports by a certain due date. For example, submission of the Federal Financial Report (FFR) is one of the most common reporting requirements.

Contacts

This section identifies the HRSA contacts for assistance, the GMS, and the Program.



Accessing Award Funds

This topic will address the method to access your award funds as well as the requirements associated with award payments. Once an award is made by HRSA, the funds are posted in recipient accounts established in the Division of Payment Management's (DPM) PMS. Complete instructions and requirements may be found under the "Grant Recipients" area of the DPM website located at <https://pms.psc.gov/>.

Funds are accessed through the PMS which is maintained by the DPM, Program Support Center.

Upon receipt of your award you will need to register and set up an account with PMS. A packet is sent by PMS to the requesting recipient to establish an account to draw funds in PMS/Smartlink. The packet includes the Recipient Payee Identification Number (PIN), a Direct Deposit Sign-Up Form SF-1199A (SF-1199A), a Recipient Training CD and a Primary Contact Person Form. The setup process itself is simple:

Complete the SF-1199A and Primary Contact Person forms; return both forms to the designated Account Liaison; the Account Liaison will then provide requesting recipient temporary password for PMS/Smartlink access via certified mail.

The SF-1199A provides the recipient's banking information in order to have funds electronically transmitted to recipient's banking institution. The form and its instructions - although the hardcopy is contained in the packet mentioned above - can be obtained on the PMS Web site.

Draw downs

Recipients draw down funds as necessary through the PMS web-based portal.

Grant payments may be made by one of several advance payment methods or by cash request on a reimbursement basis. If the cash request is for an advance payment, the recipient may request funds monthly on the basis of expected disbursements during the succeeding month and the amount of Federal funds already on hand. A request for reimbursement may be submitted more often, if authorized.

Federal funds advanced to the recipient should be fully disbursed (checks written, signed, and issued to the payees) by the close of business the next work day after receipt of the funds.

Federal funds should be placed in an interest bearing account. Any interest earned by recipients on advances of Federal funds under all Federal grant awards and subawards that,



in the aggregate, exceeds \$250 per year (nongovernmental) or \$100 per year (governmental other than States) must be remitted annually to PMS.

Recipients must submit the required FFR/SF-425 report in a timely manner. The FFR submitted through the PMS monitors the timing of cash advances and disbursements and is submitted quarterly.



Post Award Requirements

Part A: Financial and Program Management - Introduction

This topic will address important fiscal and program management issues for the recipients of HRSA awards. As the recipient of an award from HRSA, there is a great deal of information that your organization will need in order to be a successful steward of federal funds.

Recipients are responsible for managing the day-to-day operations of their award-supported activities and are responsible for the performance of the project and the appropriate expenditure of award funds by all parties. Recipients should have systems in place that enable compliance with Federal and HHS award regulations, policies, and procedures. Recipients are also required to communicate to HRSA any changes they propose to make to the approved program and/or budget through a formal process called a Prior Approval Request which is detailed in this section.

The information provided in this section is just a brief overview of selected post-award processes and requirements. For full details on any of these topics, see the HHS GPS and/or 45 Code of Federal Regulations (CFR) 74 or 92, as applicable.

The subject areas to be discussed in this section include:

- [Purpose and Standards for Financial Management Systems \(FMS\)](#)
- [Program Income](#)
- [Non-Federal Audits](#)
- [Allowable Costs](#)
- [Period of Availability](#)
- [Revision of Budget and Program Plans \(Prior Approval \(PA\) Requests\)](#)
- [Expanded Authorities](#)

Financial and Program Management: Overview

The recipient must maintain an Financial Management System which can accurately record, report, and manage HRSA's funds in accordance with the recipient's NoA terms and conditions. Overall, the recipient's FMS must at a minimum be able to account for costs charged to HRSA's program in accordance with HHS GPS, Section II.60 which requires recipients to meet the standards and requirements for financial management systems set forth or referenced in 45 CFR 74.21 or 92.20, as applicable. The following is a list of financial management areas HRSA deems of particular interest.



Standards for Financial Management

Among other things, a recipient’s FMS must have written: policies and procedures; procedures for determining allowability of costs; and procedures to minimize the time between the transfer of HRSA funds and payment of funds.

Program Income and Non Federal Audits

Program Income

A recipient must have a written procedure for accounting for program income. These written procedures should provide reasonable assurance that program income is correctly earned, recorded, and used in accordance with program requirements.

The recipient should, at a minimum: 1) set realistic performance targets for the generation of program income; 2) analyze variances between expected and actual program income; and 3) have an information system that identified program income collections and usage.

Non Federal Audits

An organization that expends over \$500,000 of federal funds (all federal funds including HRSA funds) within a recipients’ fiscal year must have an Office of Management and Budget (OMB) Circular A-133 audit performed.

Allowable Costs

A recipient must have a written procedure for determining allowable costs based the type of recipient and in accordance with one of the three OMB Cost Principles presented below:

Entity Type	Circulars	Grants-wide	HHS Programs
Education Institutions	OMB A-21	2 CFR 220	45 CFR 74.27
State and Local Governments	OMB A-87	2 CFR 225	45 CFR 92.22
Non-Profits	OMB A-122	2 CFR 230	45 CFR 74.27

The chart above shows the location of the cost principles that a recipient must follow when charging cost to its HRSA grant. Although a recipient has an approved budget, the recipient must still charge budgeted costs in a reasonable manner. Costs charged in accordance with the costs principles are considered reasonable.



The recipient must maintain adequate documentation to support all costs charged to its HRSA award.

The recipient should, at a minimum: 1) provide personnel approving and pre-auditing expenditures with a list of allowable and unallowable expenditures; 2) adequate segregation of duties in review and authorization of costs; and 3) provide training on allowable and unallowable costs under, Federal awards to recipient staff.

Period of Availability

When a funding period is specified in an recipient's NoA, the recipient may charge to the award only allowable costs resulting from obligations incurred during the budget/project period and pre-award costs authorized by HRSA.

The recipient should, at a minimum: 1) have a procedure in place to communicate period of availability requirements and expenditure deadlines to individuals responsible for program expenditures, including automated notifications of pending deadlines, if possible 2) review disbursements by persons knowledgeable of period of availability of funds; and 3) have an accounting system in place that prevents obligations or expenditures outside the period of availability.

Part B: Post-Award Changes – Revision of Budget and/or Program Items

Introduction

Recipients are required to report deviations from budget and program plans and request prior approval for certain budget and program plan revisions. Changes in the program plans or budget that may significantly impact the project or materially impair the ability to meet objectives require prior approval from HRSA. HRSA may waive some of these prior approval requirements (see [Expanded Authorities](#) below).

Prior approval requests are reviewed by the HRSA PO and GMS, and approval is official when a revised NoA is issued reflecting the approved request.

Post-Award Changes – Revision of Budget and/or Program Items - continued

Prior approval requests must be submitted through the EHB Prior Approval area.

To submit a Prior Approval Request, the Program Director or other individual authorized to complete transactions in EHBs [Prior Approval Request FAQs](#). Subsequently, the



recipient will be able to start the request, upload required documents and when complete, submit to HRSA. Although a Prior Approval Request tracking number is generated at the start of the request, unless the recipient receives an on-screen confirmation message that the request has been successfully submitted to HRSA, it is still in the recipient edit phase and not available to HRSA for review.

- The [Prior Approval Request FAQs](#) in the EHBs shows recipients how to request, edit, access and delete a Prior Approval Request.

Most common actions requiring HRSA prior approval:

- Change in project director/other key personnel
 - if the PI/PPD or key personnel specifically named in the NoA will withdraw from the project entirely, be absent from the project during any continuous period of 3 months or more, or reduce time devoted to the project by 25 percent or more from the level that was approved at the time of award
 - may require request from Authorized Representative and resume/CV for proposed staff
- Budget Revisions
 - Unless otherwise restricted by the terms of the NoA, recipients are allowed to make post award programmatic and budget revisions within and between approved budget categories up to 25 percent without prior approval.
 - Significant re-budgeting requires prior approval. Significant re-budgeting occurs when, under a grant with a Federal share exceeding \$100,000, cumulative transfers among direct cost budget categories for the current budget period exceed 25 percent of the total approved budget (which includes direct and indirect costs, whether chargeable to Federal funds or required matching or cost sharing) for that budget period or \$250,000, whichever is less. All budget revisions that exceeds the cumulative 25% budget revision cap, requires prior approval
 - Some programs require prior approval for all budget revisions and this requirement will be noted in the term of your NoA.
 - Where prior approval is needed for re-budgeting, the prior approval request must include a revised SF-424A, line item budget and narrative justification

Most common actions requiring HRSA prior approval - continued

- Carryover of unobligated funds into the subsequent funding period
 - request should be submitted at the same time as the SF-425 FFR or no later than 30 days after the due date of the FFR and must include an SF-424A, line item budget, and narrative justification
 - should indicate why funds remain unobligated



- should include details as to how the carryover will be used to complete the previously approved goals and objectives of the program
- should not be requested solely in order to spend down available unobligated funds
- awardees will be notified via a revised NoA if carryover has been approved or via correspondence generated through the EHBs if it has been disapproved.

Most common actions requiring HRSA prior approval - continued

- An Extension of Time: A request to extend the final project period up to one year beyond the original expiration date shown on the NoA. This is known as an extension without funds or No Cost Extension (NCE) prior approval request.
 - No additional funds are required to be obligated by the awarding agency, there will be no change to the project scope or objectives and any one of the following applies:
 - Additional time beyond the established expiration date is required
 - Continuity of Federal award support is required while a competing continuation application is under review
 - The extension is necessary to complete the original approved aims of the project.
 - Must be submitted no less than 30 working days prior to the end of the project period.

Other actions requiring prior approval

- Change in scope - Change (or changes) to the objectives, aims, or purposes identified in the approved application
- Inclusion of costs prohibited in the Federal Cost Principles
- Equipment purchase - For items of equipment having a unit acquisition cost of \$5,000 or more
- Contracting for substantive programmatic work - Transfer of the performance of substantive programmatic work to a third party through a subaward, contract, or any other means, if the authority for such activities is not included in the approved application.
- Transfer of funds allotted to training - Transfer of amounts for training allowances (stipends, tuition, and fees) to other budget categories
- Need for additional Federal funds - A request for additional funding for a current budget period to meet increased costs that are within the scope of the approved application, but that were unforeseen when the new or competing continuation application (or progress report for non-competing continuation support) was submitted
- Change of recipient organization - The transfer of the legal and administrative responsibility for a grant-supported project or program from one legal entity to another before the expiration of the approved project period
- Pre-award costs – Costs incurred before the effective date of the initial budget period of



a new or competing continuation award unless the authority to approve pre-award costs up to (and including) 90 days before the beginning date is provided as an expanded authority. In either case, the costs are incurred at the applicant's/recipient's own risk.

- Deviation from award terms and conditions – Undertaking any activities disapproved or restricted as a condition of the award

A full summary of actions requiring HRSA prior approval as well as further detail for each action can be found in Part II of the HHS GPS.

Expanded Authority

Is an award management tool which provides certain recipients the ability to perform specific prior approval actions, without requesting permission from HRSA. Recipient's NoA will clearly reflect this allowance in the "Remarks" section if the program has Expanded Authority privileges.

The following actions are covered by Expanded Authority as described:

- Carryovers – up to 25 percent of the Total Amount of the Award of the budget period from which the unobligated funds will be transferred may be carried over into the consecutive budget period for allowable costs within the original scope of the project.
- No Cost Extensions (NCE) – a recipient may perform a one time no cost extension of the budget and project period end dates up to 12 months. If a second NCE is required beyond the initial 12 month Expanded Authority extension, prior approval no-cost extension procedures are to be followed by submitting a request for a second NCE through EHB Prior Approval segment.
- Both Carryovers and NCEs must be submitted in EHB for documentation purposes, and to generate a revised NoA for the NCE.



Property Standards

Introduction

This topic will address how recipients should manage any property that is acquired with HRSA funds. It will cover real property standards and equipment. This section will also address how recipients should dispose of property at time of closeout.

The subject areas to be discussed include:

- [Real Property Standards](#)
- [Equipment](#)
- [Close-out](#)

Real Property Standards

Real property is any land, including land improvements or structures that are purchased with award funds, excluding movable machinery, and equipment.

Title to real property remains with the recipient, provided that the recipient uses the property for the authorized purpose of the project. Recipient use of real property for other federally sponsored projects requires prior approval and is limited to projects with purposes consistent with the original HRSA project.

When the real property is no longer needed, the recipient must request disposition instructions from HRSA. Depending on individual circumstances, different options for disposition are available. Disposition may include sale of the property, transfer to another service provider, or some other method. Recipients should contact their GMS for disposition instructions.

Equipment

Equipment – tangible nonexpendable personal property including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

Any items that do not meet the threshold for equipment are considered Supplies which is defined as; all personal property excluding equipment and tangible property, with an acquisition costs less than \$5,000.

If Federal funds are used to purchase equipment:

- The title of the equipment vests with the recipient;
- HRSA always reserves the right to order the transfer of the title of the equipment back to HRSA or third party named by HRSA (recipient will be reimbursed for its



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- share in the value);
- State laws and procedure govern use, management and disposal of equipment acquired by a State under an award;
 - The equipment must be used for the project as long as needed for the original supported activity, even if award support ends; and
 - The equipment may not to be used as collateral.

Sub-recipients - Title to equipment acquired by a recipient's sub-recipient vests with the sub-recipient upon acquisition. The same property management rules apply.

Close-out

In regards to disposition of equipment, HRSA will not issue instructions nor seek recovery of equipment worth less than \$5,000

Recipients with equipment with a current Fair Market Value of \$5,000 or greater may continue to use the equipment for the original project. If no longer needed, or not needed for other federally-funded project, recipient must request disposition instructions from HRSA. The equipment may not be donated.



Procurement Standards

Introduction

This topic will address the methods that should be used when recipients procure goods or services in connection with a HRSA-funded program. It will define federal recipient procurement procedures and demonstrate the necessary standards for HRSA recipients.

The subject areas to be discussed include:

- [Procurement](#)
- [Procurement Standards](#)

Procurement

A recipient may acquire a variety of commercially available goods or services in connection with a HRSA-supported project or program. Recipients can use their own procurement procedures that reflect applicable state and local laws and regulations, as long as those procedures conform to the applicable HHS regulations (45 CFR § 74.40 through § 74.48 or 45 CFR Part 92).

The recipient is responsible for the settlement and satisfaction of all contractual and administrative issues related to contracts entered into in support of an award. This includes disputes, claims, protests of award, source evaluation, or other matters of a contractual nature.

Procurement Standards

Recipients should have their own procurement procedures in place that reflect applicable state and local laws and regulations, as long as those procedures conform to the applicable HHS regulations.

Recipients shall avoid real or perceived conflicts of interest and non-competitive practices among contractors when procuring with Federal funds. Procurement shall be conducted in a manner to provide, to the maximum extent practical, open and free competition.



Reporting and Recordkeeping

Introduction

The following topics in this section will provide you with information on the importance of complying with all reporting requirements and how to succeed in managing and maintaining important official records:

- [Reporting Requirements](#)
- [Monitoring and Reporting Program Performance](#)
- [Financial Reporting](#)
- [Recordkeeping and Record Retention](#)

As recipients you have full responsibility for all aspects of the performance of the award including performing the scope of the work, proper accounting, monitoring and financial record keeping, and reporting.

Reporting Requirements

HHS requires that recipients periodically submit financial, Federal Financial Report (FFR) SF 425, and progress reports. Other required reports may include annual invention utilization reports, property reports, lobbying disclosures (as required by 45 CFR 93.110(c)), audit reports, reports to the appropriate payment points (in accordance with instructions received from the payment office), and specialized programmatic reports, if applicable. All required reports will be indicated in the awarding NoA, and the reports must be submitted in the EHBs system.

Monitoring and Reporting Program Performance

Monitoring Federal grant recipient's financial and program performance is required under CFR. Recipients are required to maintain and make the grant files available for review and inspection for 3 years. The records include all financial and programmatic records and supporting documents.

Monitoring is the process by which programmatic and business management performance of a grant is continually assessed by the program and grants officials responsible for the award.

Recipients must submit to HRSA financial and programmatic performance reports pertaining (directly or indirectly) to the award-supported project, in such form and the frequency as prescribed by HRSA.



Financial Reporting

A final financial report must be completed to closeout your award. All financial reports must be submitted electronically. You will need invoices with purchase prices, quantities, and serial numbers to complete the report. This report is due as per the due date indicated on your NoA under the Reporting Requirements.

HHS requires that recipients periodically submit financial, FFR SF-425, and progress reports. Other required reports may include annual invention utilization reports, property reports, lobbying disclosures (as required by 45 CFR 93.110(c)), audit reports, reports to the appropriate payment points (in accordance with instructions received from the payment office), and specialized programmatic reports, if applicable. All required reports will be indicated in the awarding NoA, and the reports must be submitted in the EHBs system.

HRSA requires annual submission of the FFR – the FFR reporting requirement on the NoA will include the due date. Although it is reported annually, it is a cumulative report for all expenditures over the document project period.

FFR submission is through EHBs and is submitted by the financial official or other designee determined by recipient.

Financial Reporting - continued

OMB has consolidated the Federal Cash Transaction Report (SF-272) and the Financial Status Report (SF-269) into one form, the FFR (SF-425) HRSA recipients will use this form to:

Report Federal Cash Transactions to PMS on a quarterly basis

- Top portion: sections 10.a, 10.b and 10.c are reported to PMS

Report Expenditures to HRSA as per the grant-specific reporting requirement

- Lower portion: sections 10.d through 10.o are reported to HRSA

Members of the grantee organization responsible for submitting the FFR to HRSA must register as the Financial Reporting Administrator (FRA) in the EHBs. You will need your organization's PIN from the PMS to verify your identity as the FRA. All other members of the grantee organization who will need to view, edit or submit the FFR will need to request privileges from the FRA. The FFR deadline will be displayed in the FFR status table in the EHB's financial reports list.

Financial Reporting - continued

Once you have obtained Financial Report privileges in the Grant Handbook, follow the



steps below to navigate to the FFR in the EHBs:

1. Log in to the [EHBs website](#).
2. Click the View Portfolio link in the left side menu.
3. Locate the grant for which you want to work on the FFR and click the Open Grant Handbook
4. The Grant Handbook will open. Click the Financial Reports link in the left side menu.

For additional information regarding the above and related FFR topics refer to the [EHB Grantee Handbook Quick Guide](#).

- View a copy of the [Federal Financial Report \(FFR\) form](#).

Sections 1-9 of Page 1 of the Federal Financial Report (FFR) form displays basic information about the grantee and the grant award including the organization's contact information, DUNS number, Employer Identification Number (EIN), recipient accounting number, reporting type, project period and reporting period. Section 10 outlines all grant transactions and section 11 tracks indirect expenses. Page 2 of the FFR includes any comments related to previous sections of the form including indirect costs and remarks (as listed in section 12 of the form).

Recordkeeping and Record Retention

HHS recipients generally must retain financial and programmatic records, supporting documents, statistical records, and all other records that are required by the terms of an award, or may reasonably be considered pertinent to an award, for a period of 3 years from the date the final FFR is submitted.

If an audit, litigation, or other action involving the records is started before the end of the appropriate retention period, the records should be maintained until the end of the appropriate retention period or until the audit, litigation, or other action is completed, whichever is later.



After-the Award Requirements

Introduction

This topic will address how to close out your grant at the end of the project period. The subject areas to be discussed in this area include:

- Submitting the required documentation and reports in both the EHBs and the PMS
- Returning unobligated funds to the DPM
- Completing and submitting a final audit

Award Closeout

Award Closeout process occurs following the expiration or the termination of the project period for a discretionary grant or cooperative agreement. The purpose of the closeout process is to ensure that all final reports are received and evaluated, allowable costs are determined, and amounts due to either the Federal Agency or to the recipient are determined and payment arrangements are made.

Recipient:

Preparation for closeout should begin 3 months prior to the end date of the grant in order to accurately forecast expenses and any adjusting entries can be made. A review of the initial NoA, the program guidance, and any emails received from the Program Office with specific closeout instructions must also be completed.

Within 90 days after the Project Period End Date or as indicated under the reporting requirement on the NoA, the recipient should complete the following activities:

- Reconcile financial expenditures by liquidating all obligations incurred for all budget categories
- Complete and submit the final FFR (SF 425) into EHB. A final FFR is required for any grant terminated, transferred to a new recipient, or any award at the end of the project period (or if comprised of multiple competitive segments, at the end of each competitive segment).
 - It must not include any unliquidated obligations.
 - It must account for all funds awarded within the grant document.
 - It must reconcile with PMS disbursement reporting.

Recipient - continued

- Complete and submit the final quarterly report in PMS



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- Submit final progress/performance reports to HRSA for review and approval by the Program Office.
- Submit a final equipment list, if equipment was purchased under the grant
- Account for any real and personal property acquired with Federal funds
- Return any funds not expended or due as a result of refunds, corrections, or audits to the DPM. Refer to the [Returning Funds/Interest](#) section under the "Grant Recipients" area on the DPM website.
- Funding Requests for instructions.
- Complete and submit a final audit, if required.
- Refer to the HHS GPS, Record Retention and Access for additional information on competitive segments, litigation, financial management reviews, audits, exceptions and qualifications. Please refer to section 7 of this tutorial for record retention information.

Recipient - continued

Following closeout, the recipient remains obligated to return funds due as a result of later refunds, corrections, or other transactions, and the Federal government may recover amounts based on the results of an audit covering any part of the period of support.

HRSA may administratively recover funds paid to a recipient in excess of the amount to which the recipient is finally determined to be entitled under the terms and conditions of the award, including misspent funds or unallowable costs incurred. If the recipient does not pay back the funds in accordance with the demand by HRSA, which specifies the period of time for repayment, HRSA may collect the debt by:

- making an administrative offset against payments that would be due under other awards,
- withholding advance payments that would otherwise be due, or
- taking any other action permitted by statute.



Frequently Asked Questions

How do I access my funding?

Funds are accessed through the Payment Management System (PMS) which is maintained by the Division of Payment Management. Instructions can be found for setting up your account and accessing your funds under the Standard Terms of your Notice of Award. Draw down requests and payments are then made electronically with requested funds deposited directly to your bank account. See [Accessing Award Funds - Introduction](#).

What are the Terms and Conditions of Award?

Terms and conditions of award are the legal requirements imposed on an award by the Federal Government, whether by statute, regulation, or other terms in the award document. Each Notice of Award may include both standard and special provisions that are considered necessary to attain the objectives of the project, facilitate post award administration of the award, conserve funds, or otherwise protect the Federal Government's interests. Recipients should carefully review all terms of award. The terms of award, either contained in or referenced by the award document, will be binding on both the recipient and the awarding agency until such time as they are modified by a revised award notice signed by the Grants Management Officer (GMO). A recipient indicates acceptance of the terms of award by requesting funds from the awards payment system. If the recipient cannot accept the terms, it should notify the GMO. See [Notice of Award - Introduction](#).

What are the recipient's reporting requirements?

HRSA programs, in general, have requirements for both financial and programmatic performance reporting. Please refer to the Reporting Requirements section of your Notice of Award (NoA) for additional details. See [Reports & Records](#); [Notice of Award](#).

How do I get approval to make changes in my project once an award has been issued?

In general, the recipient may make minor changes in methodology, approach, or other aspects of the project objectives after an award has been issued. However, the recipient must obtain written prior approval from HRSA for changes in scope, direction, or other changes that constitute a significant change from the objectives or purposes of the approved project. Requests should be submitted through the EHB prior approval module. See [Part B: Post-award changes – revision of budget and/or program items](#).



How do I request prior approval?

Prior approval must be requested in writing. The request must be submitted through the Electronic Handbooks (EHB) Prior Approval module. Official approval or denial of the request will be provided to the recipient by the HRSA grants management staff either through a Notice of Award or a notification of denial. HRSA program staff will be consulted as appropriate but may not directly provide official approval to the recipient, as program staff approval is not binding on the awarding agency. See [Post-award changes – revision of budget and/or program items - continued](#).

Does a recipient need to seek prior approval from the awarding agency in order to change the Program Director of an award?

This is one of a number of actions that require awarding agency prior approval. The recipient must submit a request through the Electronic Handbook's (EHB) Prior Approval module to change the Program Director (PD) of an award. The request should include the effective date of the change, a justification for the change, qualifications of the proposed replacement PD, the curriculum vitae of the proposed replacement PD, level of effort to be committed by this individual, and budgetary changes resulting from the proposed change. See [Most common actions requiring HRSA prior approval](#).

What are expanded authorities?

“Expanded authorities” refer to a limited number of actions that normally require awarding agency prior approval but for which HHS has waived its authority and given this authority to the recipient. The Notice of Award will indicate whether or not your award is under expanded authorities. See [Expanded Authority](#).

Can I rebudget funds from one budget category to another after my award has been issued?

For post-award changes, the recipient institution is generally permitted to rebudget within and between budget categories in the approved total direct cost budget of the project to meet unanticipated requirements or to accomplish certain programmatic changes. This authority exists unless certain circumstances as described in the HHS Grants Policy Statement occur (e.g., restricted funds may not be rebudgeted without prior approval; significant rebudgeting [more than 25% of budget] that constitutes a change of scope may not be done without prior approval).



In using this authority, recipients must ensure that they exercise proper stewardship over Federal funds and that all costs charged to the awards are allowable, allocable, and reasonable.

This rebudgeting flexibility applies to all awards regardless of whether or not they are under expanded authorities. See [Post-award changes – revision of budget and/or program items](#).

What do I do if my institution has never negotiated an indirect cost rate?

In order to receive indirect costs under a federal award, a recipient organization must have a Federally-negotiated indirect cost rate agreement. Such an agreement is generally not negotiated until an organization is the direct recipient of an award.

With whom do I negotiate an indirect cost rate?

If the Department of Health & Human Services (HHS) is the cognizant Federal agency for your institution, you will negotiate your indirect cost rate with the HHS Division of Cost Allocation (DCA). Please refer to the DCA Web site at <http://rates.psc.gov> for further information.

How do I request carry over of unexpended funds from one budget period to the next?

If your award is not under expanded authorities and you wish to utilize unobligated funds from one budget period during the next budget period you will need to submit a prior approval request through EHB. The request needs to include an explanation of why the funds remain unexpended, a statement of project activities to be accomplished if the carryover is approved, and a detailed budget page and budget justification. Approval will not generally be given until the appropriate FFR has been submitted and accepted and indicates the availability of funds.

Carryover requests should be submitted as soon as possible after submission of the FFR and no later than 30 days after submission to maximize the amount of time in the next budget period in which funds can be expended. Carryover funds should not be expended until prior approval is granted. See [Most common actions requiring HRSA prior approval - continued](#).

How do I request a no-cost extension for my award?

Unless provided as an expanded authority, prior approval is required for any extension of up to 12 months. HRSA will not approve any extension request if the primary purpose of the proposed extension is to permit the use of unobligated balances of funds.



The request made through the EHB prior approval module should include a statement of why the extension is needed, the duration of the extension (not to exceed 12 months), project objectives to be completed during the extension period, and a detailed budget page and budget justification for unobligated funds anticipated to remain at the end of the current budget period.

If your award is under expanded authorities, the recipient institution has the authority to automatically extend the final budget period and project period one time for a period of up to 12 months. The recipient institution must notify HRSA of this decision at least 10 days before the scheduled project period end date.

No additional funds will be awarded for an extension. If the extension is approved, HRSA will issue a revised Notice of Award. All terms and conditions of the award apply during the extended period. See [Most common actions requiring HRSA prior approval - continued](#).

When and where do I submit my Federal Financial Report (FFR)?

HRSA requires annual submission of the FFR (SF-425) and is submitted through the EHB FFR module the FFR reporting requirements on the NoA will include the due date. Although it is reported annually, it is a cumulative report for all expenditures over the document project period. See [Financial Reporting](#).



Glossary of Terms

Administrative Requirements

The general practices that are common to the administration of grants, such as financial accountability, reporting, equipment management, and retention of records.

Advance Payment

A payment made to a recipient upon its request either before cash disbursements are made by the recipient or through the use of predetermined payment schedules.

Allocable Cost

A cost that is allocable to a particular cost objective (i.e., a specific function, grant project, service, department, or other activity) in accordance with the relative benefits received. A cost is allocable to a Federal award where it is treated consistently with other costs incurred for the same purpose in like circumstances and (1) is incurred specifically for the award, (2) benefits both the award and other work and can be distributed in reasonable proportion to the benefits received, or (3) is necessary for the overall operation of the organization.

Allowable Cost

A cost incurred by a recipient that is: (1) reasonable for the performance of the award; (2) allocable; (3) in conformance with any limitations or exclusions set forth in the Federal cost principles applicable to the organization incurring the cost or in the NoA as to the type or amount of cost; (4) consistent with regulations, policies, and procedures of the recipient that are applied uniformly to both federally supported and other activities of the organization; (5) accorded consistent treatment as a direct or indirect cost; (6) determined in accordance with generally accepted accounting principles; and (7) not included as a cost in any other federally supported award (unless specifically authorized by statute).

Approved Budget

The financial expenditure plan for a grant-supported project, program, or activity, including revisions approved by the OPDIV and permissible revisions made by the recipient. The approved budget consists of Federal (grant) funds and, if required by the terms and conditions of the award, non-Federal participation in the form of matching or cost sharing. Expenditures under an approved budget that consists of both Federal and non-Federal shares are deemed to be borne by the recipient in the same proportion as the percentage of Federal/non-Federal participation in the overall budget.



Budget Periods

The intervals of time (usually 12 months each) into which a project period is divided for budgetary.

Carryover

Unobligated Federal funds remaining at the end of any budget period that may be carried forward to another budget period to cover allowable costs of that budget period (whether as an offset or additional authorization). Obligated but unliquidated funds are not considered carryover).

Closeout

The process by which an OPDIV determines whether all applicable administrative actions and all work required under the award have been completed by the recipient and the awarding office.

Cooperative Agreement

A financial assistance support mechanism used when there will be substantial Federal programmatic involvement. Substantial involvement means that OPDIV program staff will collaborate or participate in project or program activities as specified in the Notice of Award.

Direct Costs

Costs that can be identified specifically with a particular sponsored project, an instructional activity, or any other institutional activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

Entity Identification Number (EIN)

A three-part coding scheme of 12 characters used in PMS to identify organizations and individuals. The first character identifies the recipient as an organization or an individual. The next 9 characters are the Internal Revenue Service tax number identification (TIN) for organizations or the social security number (SSN) for individuals. The last 2 characters are a suffix to provide distinction between organizational entities that are assigned a single EIN and those that have more than one EIN. The entities could be subsidiaries, divisions, branches, subdivisions, or other organizational groupings of a major organizational entity.



Equipment

An article of tangible nonexpendable personal property that has a useful life of more than 1 year and an acquisition cost of \$5,000 or more per unit or the capitalization threshold established by the recipient, whichever is less.

Expanded Authorities

Operating authorities provided to recipients that waive the requirement for OPDIV prior approval for specified actions.

Federal Funds Authorized

The total amount of Federal funds obligated by the OPDIV for use by the recipient. This amount may include any authorized carryover of unobligated funds from one of the two preceding budget periods.

Federal Share

The amount, generally expressed as a percentage of total project costs, of financial, property, and other direct assistance provided by the OPDIV, as specified in the NoA.

Financial Status Report

A standard Federal form, SF 269 (long form) or SF 269A (short form), that shows the status of funds in non-construction programs and is used to monitor the financial progress of awards. The forms require information on total outlays (Federal and recipient shares) and unobligated balances of Federal funds. The long form is used for grants that involve program income.

Funding Opportunity Announcement

An OPDIV's formally issued announcement of the availability of Federal funding through one of its financial assistance programs. The announcement invites applications and provides such information as eligibility and evaluation criteria, funding preferences/priorities, how to obtain application kits, and the submission deadline (see Part I).

Grant

A financial assistance support mechanism providing money, property or other direct assistance in lieu of money, or both, to an eligible entity to carry out an approved project or



activity in support of a public purpose and not the direct benefit of the government. A grant is used whenever the OPDIV anticipates no substantial programmatic involvement with the recipient during performance of the financially assisted activities.

Indirect Costs

Costs that are incurred by a recipient for common or joint objectives and cannot be identified specifically with a particular project or program. These costs also are known as “facilities and administrative costs.”

Key Personnel

The PI/PD and other individuals who contribute to the programmatic development or execution of a project or program in a substantive, measurable way, whether or not they receive salaries or compensation under the grant.

Matching or Cost Sharing

The value of third-party in-kind contributions and the portion of the costs of a federally assisted project or program not borne by the Federal government. Costs used to satisfy matching or cost-sharing requirements are subject to the same policies governing allowability as other costs under the approved budget.

Non Federal Share

The portion of allowable project costs not borne by the Federal government.

Objective Review

An advisory review of discretionary grant applications conducted by unbiased reviewers with expertise in the programmatic area for which applications are submitted.

Obligations

The amounts of orders placed, contracts and subawards, goods and services received, and similar transactions by a recipient during a budget period that will require payment during the same or a future budget period.

Outlays or Expenditures

The charges made to the federally sponsored project or program. They may be reported on a cash or accrual basis.



Preaward Costs

Costs incurred prior to the beginning date of the project period, in anticipation of an award and at the applicant's own risk, for otherwise allowable costs.

Prior Approval

Written consent or issuance of an award by the OPDIV GMO in response to a written request from the recipient to incur a specific direct cost or take other action that requires such approval (as specified in Part II of the HHS GPS). If the costs or other actions are specifically identified in an application, approval of the application, and issuance of an award based thereon, constitutes such authorization. Prior approval for components of indirect costs must be obtained from the cognizant agency or as specified in the applicable cost principles.

Program Income

Gross income earned by a recipient that is directly generated by the grant-supported project, program, or activity or earned as a result of the award.

Progress Report

Periodic, usually annual, reports submitted by the recipient and used by the OPDIV to assess progress and, except for the final progress report, to determine whether to provide funding for the budget period subsequent to that covered by the report.

Project Period

The total time for which support of a project has been programmatically approved. The total project period comprises the initial competitive segment, any subsequent competitive segments resulting from a competing continuation award, and any non-competing extensions.

Real Property

Land, including land improvements, structures, and appurtenances, but not movable machinery and equipment.

Reasonable Cost

A cost whose nature or amount does not exceed that which would be incurred by a prudent person under the circumstances prevailing when the decision was made to incur the cost.



Recipient

The organization or individual that receives a grant or cooperative agreement award from an OPDIV and is responsible and accountable for the use of the funds provided and for the performance of the grant-supported project or activity. The recipient is the entire legal entity even if a particular component is designated in the NoA. The term includes “grantee.”

Significant Rebudgeting

A threshold that is reached when expenditures in a single direct cost budget category deviate (increase or decrease) from the approved budget amount for that budget category for that budget period by a specified amount, usually more than 25 percent of the total costs awarded. Significant rebudgeting is one indicator of change in scope.

Subaward

Financial assistance in the form of money or property in lieu of money provided under an award by a recipient to an eligible subrecipient (or by an eligible subrecipient to a lower-tier subrecipient). The term includes financial assistance when provided by any legal agreement, even if the agreement is called a contract, but does not include either procurement of goods or services or, for purposes of this policy statement, any form of assistance other than grants and cooperative agreements. The term includes consortium agreements.

Subrecipient

An entity that receives a subaward from a recipient or another subrecipient under an award of financial assistance and is accountable to the recipient or other subrecipient for the use of the Federal funds provided by the subaward.

Supplies

Personal property other than equipment, intangible property, and debt instruments. The category of “supplies” includes items that could be considered equipment, but do not meet the threshold definition.

Terms and Conditions

All legal requirements imposed on a grant by the OPDIV, whether based on statute, regulation, policy, or other document referenced in the NoA, or specified by the NoA itself.



In addition to general terms and conditions, the NoA may include other conditions that are considered necessary to attain the award's objectives, facilitate post-award administration, conserve grant funds, or otherwise protect the Federal government's interests.

Unallowable Cost

A cost specified by law or regulation, Federal cost principles, or term and condition of award that may not be reimbursed under a grant or cooperative agreement.

Unliquidated Obligations

The amount of obligations incurred by the recipient that has not been paid (for financial reports prepared on a cash basis) or the amount of obligations incurred by the recipient for which an outlay has not been recorded (for reports prepared on an accrual basis).

Unobligated Balance

The portion of the funds authorized by the Federal agency that has not been obligated by the recipient.



Related Resources

- [System for Award Management](#)
- [HRSA Electronic Submission Guide](#)
- [Grants.gov](#)
- [U.S. Department of Health and Human Services Division of Payment Management](#)
- [U.S. Department of Health and Human Services Grants Policy Statement \(PDF - 223 pages\)](#)
- [Federal Funding Accountability and Transparency Act Subaward Reporting System](#)