
Federal Financial Report (FFR or SF-425)

Summary of Instructions and Guidance for Discretionary Grant Recipients

SAMHSA recipients must submit the annual **Federal Financial Report (FFR) via the Payment Management System (PMS) no later than 90 days** after the end of the budget period and the Final FFR by **no later than 120 days** after the end of the project period, unless otherwise specified in the terms and conditions in the Notice of Award (NoA).

Failure to submit a complete and accurate FFR by the deadline will result in the restriction of drawdowns from the recipient's PMS account, delay of funds, and/or denial of future funding.

Recipients must review the following guidance before completing the FFR:

FFR Due Dates

- The FFR due date(s) listed on the NoA are the authoritative due dates for FFR submission. If a different FFR due date is reflected for your grant in PMS, you are required to defer to the due date(s) in the NoA and ensure that FFRs are submitted as required by the NoA.
- **Due Date Logic for All FFRs**
 - All FFRs are created in PMS **180 days after the start of each budget period**. For Multi-Year Funded (MYF) grants, the Incremental Period (IP)-level FFR slots are created 180 days after the start of each IP.
 - **FFR Report Type:** *Annual.*
 - **Reporting Period Due Date:** *90 days after the BP (or IP) end date.*
 - When an award is issued a No Cost Extension (NCE), the original PP and final BP can be extended by up to 12-months. If a NCE is issued, **on the day after issuance** a separate slot is added for the NCE FFR in PMS (in eRA a corresponding E1 record should be reflected for the NCE FFR). For each NCE, an additional FFR slot is added initially as follows:
 - **FFR Report Type:** *Annual.*
 - **Reporting Period Due Date:** *90 days after the NCE or PP end date.*
 - On the day after the Project Period (PP) ends (*that is, Budget Period (BP) end date = Project Period (PP) end date*), the FFR closeout FFR is updated in PMS as follows:
 - **FFR Report Type:** *updated from Annual to Final*
 - **Reporting Due Date:** *updated to 120 days after the PP end date.*
- **FFR Due Date- Special Cases**

If your grant falls under one of the following 3 scenarios, the FFR due date(s) identified on your NoA may not correlate with the due date(s) reflected in PMS:

 - **Legacy Multi Year Funded (MYF) grants** – Most SAMHSA grants are annually funded and receive awarded funds every 12 months for each budget period within the project period. However, some grants are Multi Year Funded (MYF) with a budget period longer than 1 year and receive their awarded funds for two or more years up front. The budget period for a MYF grant may consist of as many as 2, 3 or 4 twelve-month Incremental Periods (IPs) and each IP has individual FFR submission requirements.
 - **Off-cycle Program Specific FFRs** – Some grant programs have requirements for FFRs to be submitted more frequently than once per year, for example, every 6 or 9 months.
 - **No Cost Extensions (NCE)** – When a grant is approved for a NCE, the final budget period and the project period may be extended by up to 12 months. Recipients with grants on NCE are still required to submit a cumulative annual FFR covering up to the **original project period end date** and then also submit a final FFR that accounts for their expenditures/obligations for the life of the grant (inclusive of the NCE period).

If you require any clarification on your FFR due date(s), reach out to your assigned GMS.

Pre-populated, Editable and Auto Calculated FFR Data Fields

Pre-populated from eRA/PMS Data and Locked
Section 1 – Federal Agency
Section 2 – Federal Grant Number
Section 3 – Recipient Organization
Section 4 – Recipient UEI and EIN
Section 5 – Recipient Account Number
Section 6 – Report Type
Section 8 – Project/Grant Period
Section 9 – Reporting Period End Date
10a – Cash receipts and 10b – Cash disbursements (<i>locked on Final FFRs</i>)
10d – Total Federal funds authorized

Data Entry Allowed/Editable
Section 7 – Basis of Accounting
10a – Cash receipts and 10b – Cash disbursements (<i>locked on Final FFRs</i>)
10e – Federal share of expenditures and 10f – Federal share of unliquidated obligations (<i>locked on Final FFRs</i>)
10i – Total recipient share required and 10j – Recipient share of expenditures (<i>if applicable</i>)
10l – Total Federal program income earned (<i>if applicable</i>)
10m – Program income expended in accordance with the addition alternative (<i>Not Required by SAMHSA</i>)
10n – Program income expended in accordance with the addition alternative (<i>if applicable</i>)
Indirect Expense: 11a – Type, 11b – Rate, 11c – Period From - Period To, 11d – Base and 11f – Federal Share

Auto Calculated
10c – Cash on Hand (line 10a minus 10b)
10g – Total Federal Share (sum of lines 10e & 10f)
10h – Unobligated balance of Federal funds (line 10d minus 10g)
10k – Remaining recipient share to be provided (line 10i minus 10j)
10o – Unexpended program income (line 10l minus line 10m or line 10n)
11e – Amount Charged (11b multiplied by 11d)
11g – Totals (sum of 11d, 11e, and 11f)

Transactions Which Require Data Entry

Section 10

- **Line 10a – Cash receipts:** Pre-populated based on cumulative real-time cash receipts (drawdowns, refunds, and journal vouchers) information from PMS. This is an editable field; therefore, recipients are able to revise the amount to match cumulative cash receipts applicable to the reporting period.
 - ❑ Federal cash must be drawn by recipients solely to accommodate immediate needs for payment of obligations, direct, and indirect expenses incurred cumulatively through the end of the reporting period on an **“As Needed Basis Only”** and cash must not be kept on hand by recipients **in excess of three (3) working days!** See <https://pms.psc.gov/grant-recipients/funding-request-formula.html> for **3-Day Rule to spend funds**.
 - ❑ Recipients are responsible for reviewing their accounting system to ensure that all data points (including Cash on Hand) are accurately reported on their Federal Financial Report (FFR).
 - If a recipient is adhering to the PMS **3-Day Rule to spend funds** and properly managing both their Cash Receipts and Cash Disbursements associated with the reporting period, by the time the FFR is submitted 90 days after the reporting period ends, the amount reported on the FFR in Section 10c Cash on Hand should most likely be zero (0). Otherwise, an explanation for any positive or negative balance reported on FFR should be entered as a comment in Section 12 – Remarks.
 - If a positive or negative balance for Cash on Hand is initially reported, the recipient is responsible for resolving the Cash on Hand in a timely manner and submitting a revised cumulative FFR for that reporting period reflecting zero (0) Cash on Hand.
- **Line 10b – Cash disbursements:** Pre-populated based on 10a. This is an editable field. Recipients are able to revise the amount to match cumulative cash disbursements applicable to the reporting period. On Final FFRs, Line 10a. cash receipts must reconcile with line item 10b. cash disbursement or the system will not allow you to submit the FFR.
- **Line 10e – Federal share of expenditures:** These are obligations, direct, and indirect expenses incurred through the end of the reporting period (i.e., orders placed for services or supplies, as well as contracts and subawards made), which are **paid out** (if accounting basis is cash) or **recorded** (if accounting basis is accrual). The amount reported in this field is usually greater than \$0. *If reporting \$0 or the same amount which was reported on your prior year FFR, you are expected to confirm in Section 12 – Remarks that your expenditures for the reporting period are \$0.* On Final FFRs, Line 10e. federal share of expenditures must reconcile with Line 10a. cash receipts and line item 10b. cash disbursement or the system will not allow you to submit the FFR.
- **Line 10f – Federal share of unliquidated obligations:** These are obligations incurred through the end of the reporting period (i.e. orders placed for services or supplies, as well as contracts and subawards made), but **not yet paid out** (if accounting basis is cash) or **not yet recorded** (if accounting basis is accrual). *You are expected to provide an explanation in Section 12 – Remarks if any amount is reported in line 10f Federal share of unliquidated obligations. Do not include any amount in Line 10f for a future commitment of funds (such as a long-term contract) for which an obligation or expense has not been incurred during the reporting period.*
- **Line 10i – Total recipient share required:** This is an editable field entered by the recipient based on the level/ratio of matching or cost sharing (non-federal share) **required**. The recipient share required is computed cumulatively based on the Total Federal Share for each budget period multiplied by the ratio of matching or cost sharing applicable to each budget period.
- **Line 10j – Recipient share of expenditures:** This is an editable field entered by the recipient based on the **actual** matching or cost sharing provided by recipients and third-party providers to meet the level/ratio required by the Federal agency. **Note:** The amount in this line should be equal to or greater than the amount in line 10i Total recipient share required.
- **Line 10l – Total Federal program income earned:** Program income is the gross income earned by the non-Federal entity that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance except as provided in [45 CFR 75.307\(f\)](#). Any costs associated with the generation of the gross amount of program income that are not charged to the award should be deducted from the gross program income earned, and the net program income should be the amount reported.
- **Line 10m – Program income expended in accordance with the deduction alternative:** This line is not applicable to SAMHSA grants since SAMHSA uses the addition alternative for program income. Line 10m must reflect **zero (\$0)**.
- **Line 10n – Program income expended in accordance with the addition alternative:** SAMHSA uses the addition alternative for program income which allows Program Income to be used in addition to funds committed to the project or program. Enter the amount of Program income expended in accordance with the addition alternative. All program income earned should be used **in addition to** awarded funds for allowable costs to further eligible project or

program objectives. Program Income should be expended before requesting additional cash payments (see [45 CFR 75.305\(a\)\(2\)](#)). *If 10n – Program income expended in accordance with the addition alternative is less than 10l – Total Federal program income earned, you are expected to explain the reason in Section 12 – remarks.*

Section 11 – Indirect Expense

- **Section 11a – Type:** Select whether rate type is Provisional, Predetermined, Final, or Fixed.
 - **Section 11b – Rate:** Enter the approved indirect cost rate(s) in effect during the reporting period.
 - **Section 11c – Period From, Period To:** Enter the beginning and ending effective dates for the indirect cost rate(s).
 - **Section 11d – Base:** Enter the base amount to which the approved rate(s) in 11b – Rate was applied. Refer to [45 CFR 75.2 “Modified Total Direct Cost”](#) and/or your IDC rate agreement for guidance on calculating your base.
 - **Section 11f – Federal Share:** Enter the Federal share of the amount reported in 11e – Amount Charged.
- Note:** *If multiple indirect cost rates were approved and charged during the reporting period, each rate and amount charged must be broken down by the applicable period in this section.*

FFR Sections with Frequent Errors

The information reported on the FFR is **cumulative**. Ensure that you report cumulative amounts through the end of each FFR reporting period. Errors will delay SAMHSA’s acceptance of the FFR. To avoid errors, pay careful attention to the following sections:

Line 10f – Federal Share of Unliquidated Obligations

- Unliquidated obligations should be paid out or recorded within 90 days after the end of the budget period. Therefore, by the time of FFR submission, this line should most likely be blank or report \$0.
- Include only direct and indirect expenses incurred (including amounts due to subrecipients and contractors) but not yet paid out or not yet recorded.
- Do **not** include funds obligated for future expenses or a future commitment of funds beyond the end of the FFR reporting period.
- If unliquidated obligations were initially reported, once the obligations are paid or recorded, a revised FFR for that budget period should be submitted reflecting the adjusted amounts

Line 10h – Unobligated Balance of Federal Funds (UOB)

- UOB is the cumulative amount of funds authorized by SAMHSA for expenditure but not obligated by the recipient by the end of the budget period.
- Verify the amount of UOB, if any, reported in line 10h.
- UOB is the basis for **carryover** and **offset** decisions.
 - ❑ **Carryover** is a process that allows for approval of cumulative UOB remaining from prior year awards to be expended/obligated in the **current budget period** (or year the UOB will be used) for reasonable, allowable and allocable costs aligned with achieving the approved goals and objectives of the grant program and grant application. Carryover does not increase the amounts of funds cumulatively awarded, that is, no new monies are awarded.
 - ❑ Cumulative UOB can be **offset** on a recipient’s continuation award after review of their progress meeting goals and objectives. If your continuation funding was offset, it will be reflected in the **Remarks Section** of the continuation NoA. The amount of new monies awarded may be reduced (offset) by **UOB** without reducing the Total Federal Share for that year. That is, any newly awarded monies plus the cumulative UOB that is offset, is equal to the Total Federal share for the recipient’s approved continuation budget.
 - ❑ Recipients that request carryover and had their continuation funding **offset** should note that the offset will reduce the amount of UOB reflecting as **available** for carryover on your FFR in Section 10h. Unobligated balance of Federal funds. For example, you are planning to carryover UOB from year 2 into year 3 and your Year 3 award was offset, the amount of UOB available for carryover from year 2 to year 3 would be the UOB amount reported in the Year 2 FFR, **less** the amount that was offset in year 3.
- UOB carried must be expended or obligated before the current budget year ends for unmet project needs in support of the approved goals and objectives of the grant program. Approved carryover funds not expended before the current budget year ends must be reported as UOB in the FFR.
- If UOB is not used by the end of the project period, unspent funds are returned to the Treasury.

Line 10j - Recipient share of Expenditures

- Some SAMHSA programs require recipients to contribute a **minimum** amount of non-federal funds, in-kind contributions, or a combination of both, towards the total project costs.
- Check your Notice of Funding Opportunity (NOFO) for matching or recipient share requirements, if any.
- Report the **actual** match or recipient share of expenditures. Match is reported cumulatively on the FFR but must be met annually based on the federal share of expenditure (actual amount expended/obligated) for each respective budget period (year) and the match ratio applicable to that budget period (year).
- The match requirement, if any, must be met for every budget period. Overmatch in one budget period is not counted towards the matching requirement for another budget period.
- If your grant receives a no-cost extension (NCE), matching contributions must also be provided for UOB expended during the NCE period at the matching level/ratio applicable to the final year of the grant.
- Your federal funding may be reduced if you are unable to meet the **minimum match requirement**. If you are unable to meet the **minimum match requirement**, you may be required to return the associated amount of awarded federal funds (based on the applicable matching ratio) to Payment Management System.

Section 12 – Remarks

- **Carryover remarks in Section 12-** Note that approval decisions for the FFR and for carryover will not be based on any carryover remarks if those remarks are outside of the following guidelines:

There are two types of carryover, **Intent to Carryover (Expanded Authority)** and **Formal Carryover**. **The recipient can exercise Expanded Authority for an Intent to Carryover or opt for a Formal Carryover– but not both.**

1. Formal Carryover

- For **Formal Carryover of UOB that is more than 25% of the amount authorized for the current budget period** (i.e. year the UOB will be used), the recipient must submit the FFR and also submit a post award amendment via eRA no later than 90 days after the prior budget period end date.
 - **LATE SUBMISSIONS of Formal Carryover requests will be DISAPPROVED.** Formal Carryover requests submitted after the deadline (**90 days after the end of the prior budget period**) **will not be reviewed** and will be **disapproved** in eRA.
 - Acceptance of the FFR does not mean that the Formal Carryover request is approved. If the Formal Carryover request is approved, an **amended NoA will be issued**.
 - If UOB is expended/obligated **in excess of 25% of the Federal Share for the current budget period** (i.e. year the UOB will be used) and a formal carryover post award amendment was not approved **OR** more UOB was expended/obligated than was approved, the recipient will be expected to return the overspent funds to PMS.

2. Intent to Carryover (also referred to as Expanded Authority)

- Under Expanded Authority, recipients retain the authority (**prior approval is not required**) to **carryover Unobligated Balance (UOB) up to 25% of the Federal Share for the current budget period** (i.e. year the UOB will be used).
 - An **amended NoA will NOT be issued** for Expanded Authority carryover. The recipient may proceed with expending/obligating the UOB for reasonable, allowable & allocable costs aligned with the approved goals and objectives of the grant program and your grant application.
 - A recipient on drawdown restriction cannot use Intent to Carryover (Expanded Authority) and **must submit a [Formal Carryover Post Award Amendment](#)** for SAMHSA's prior approval to carry over **any amount** of UOB.

For additional guidance on carryovers, refer to <https://www.samhsa.gov/grants/grants-management/post-award-amendments#carryover> and **Discretionary Grants: How to Submit a Post Award Amendment"** <https://www.samhsa.gov/grants/grants-training-materials>

- Since cash should not be kept on hand by recipients in excess of three (3) working days, enter comments, if applicable, to explain any positive or negative balance reported in line 10c – Cash on Hand.
- Since Program Income should be expended before requesting additional cash payments, provide an explanation if 10n – Program income expended in accordance with the addition alternative is less than 10l – Total Federal program income earned.

- If the system generated Report Type (Annual vs Final) or Reporting Period on the FFR are not accurate, enter comments to indicate the correct Report Type or Reporting Period.
- Enter other remarks, as applicable.

Preparing, Certifying and Submitting your FFR

The FFR must be submitted in PMS. SAMHSA will **not** accept FFRs submitted via email or uploaded as an attachment into eRA. Verify your FFR is complete and accurate before you submit in eRA.

To submit your FFR in PMS, you must have:

- access to the **FFR Module in PMS**.
 - The recipient staff member(s) responsible for FFR preparation, certification and submission of the FFR must either submit a request for New User Access or Update User Access to the FFR Module as applicable.
 - Refer to the PMS User Access website <https://pms.psc.gov/grant-recipients/user-access.html> for information on how to submit a New User Access, Update User Access or Deactivate User Access.
 - You can also view PMS' Video on how to request new user access @ <https://youtu.be/kdoqaXfiuI0> and PDF resource with instructions on Requesting Access @ https://pms.psc.gov/forms/New-User-Request_Granttee.pdf.
 - New User Request processing can take 3-4 days. You may check on the status of your New User Access Request by using the following: <https://pmsapp.psc.gov/pms/app/userrequest/request/retrieverequest> and <https://pmsapp.psc.gov/pms/app/userrequest/request/newuser>
- the Preparer and Certifier roles (one individual may hold both roles if permitted by your organizational policy).
 - The individual with the preparer role prepares and submits the FFR to the certification step of the workflow. The individual with the certifier role then **certifies and submits** the FFR to SAMHSA.
 - The FFR Preparer and/or Certifier may be a certified public accountant (CPA), accountant, chief financial officer (CFO), or other person(s) designated by the recipient with responsibility for:
 - reporting the statement of expenditures for the grant;
 - certifying the data reported on the FFR are accurate and complete; and
 - signing electronically Section 13 of the FFR as the Authorized Certifying Official.
 - Information on the Preparer and Certifier roles can be found here:
 - **Preparer** <https://pmsapp.psc.gov/pms/app/help/ffr/ffr-grantee-instructions.html#preparing-ffr>
 - **Certifier** <https://pmsapp.psc.gov/pms/app/help/ffr/ffr-grantee-instructions.html#certifying-ffr>
 - Detailed **FFR Instructions** are available at <https://pmsapp.psc.gov/pms/app/help/ffr/ffr-grantee-instructions.html> (The user must be logged in to PMS to access the link.) Updates to the FFR instructions effective 4/1/2022 are also available @ <https://pms.psc.gov/grant-recipients/ffr-updates.html>
- While recipients must submit the FFR in PMS, the FFR can also be accessed by connecting seamlessly from the eRA Commons to PMS by clicking the "Manage FFR" link on the "Search for Federal Financial Report (FFR)" page in eRA Commons, which will redirect to PMS. To access the "Manage FFR" link in eRA Commons, the individual must be registered in eRA Commons and assigned the Financial Status Reporter (FSR) role with responsibility for reporting the statement of grant expenditures for their organization. Refer to the [Managing User Accounts: Add or Remove Roles, Unaffiliate Account](#) document for instructions on how to assign the FSR role.